Gazette officielle du Québec

Part 2

No. 16
20 April 2016

Laws and Regulations

Volume 148

Summary

Legal deposit – 1st Quarter 1968
Bibliothèque nationale du Québec

NOTICE TO USERS

The *Gazette officielle du Québec* is the means by which the Québec Government makes its decisions official. It is published in two separate editions under the authority of the Act respecting the Centre de services partagés du Québec (chapter C-8.1.1) and the Regulation respecting the *Gazette officielle du Québec* (chapter C-8.1.1, r. 1). Partie 1, entitled "Avis juridiques", is published at least every Saturday. If a Saturday is a legal holiday, the Official Publisher is authorized to publish it on the preceding day or on the following Monday. Partie 2, entitled "Lois et règlements", and the English edition, Part 2 "Laws and Regulations", are published at least every Wednesday. If a Wednesday is a legal holiday, the Official Publisher is authorized to publish them on the preceding day or on the Thursday following such holiday.

Part 2 – LAWS AND REGULATIONS

Internet

The *Gazette officielle du Québec* Part 2 will be available on the Internet at noon each Wednesday at the following address:

www.publicationsduquebec.gouv.qc.ca

The *Gazette officielle du Québec* published on the website is available to all free of charge.

Contents

Part 2 contains:

(1) Acts assented to, before their publication in the annual collection of statutes;

(2) proclamations of Acts;

(3) regulations made by the Government, a minister or a group of ministers and of Government agencies and semi-public agencies described by the Charter of the French language (chapter C-11), which before coming into force must be approved by the Government, a minister or a group of ministers;

(4) decisions of the Conseil du trésor and ministers' orders whose publications in the *Gazette officielle du Québec* is required by law or by the Government;

(5) regulations and rules made by a Government agency which do no require approval by the Government, a minister or a group of ministers to come into force, but whose publication in the *Gazette officielle du Québec* is required by law;

(6) rules of practice made by judicial courts and quasi-judicial tribunals;

(7) drafts of the texts mentioned in paragraph 3 whose publication in the *Gazette officielle du Québec* is required by law before their adoption or approval by the Government.

French edition

In addition to the documents referred to in paragraphs 1 to 7 above, the French version of the *Gazette officielle du Québec* contains the orders in council of the Government.

Rates*

1. Annual subscription:

	Printed version
Partie 1 "Avis juridiques":	$494
Partie 2 "Lois et règlements":	$676
Part 2 "Laws and Regulations":	$676

2. Acquisition of a printed issue of the *Gazette officielle du Québec*: $10.57 per copy.

3. Publication of a notice in Partie 1: $1.70 per agate line.

4. Publication of a notice in Part 2: $1.12 per agate line. A minimum rate of $247 is applied, however, in the case of a publication of fewer than 220 agate lines.

*** Taxes not included.**

General conditions

The Division of the *Gazette officielle du Québec* must receive manuscripts, **at the latest, by 11:00 a.m. on the Monday** preceding the week of publication. Requests received after that time will appear in the following edition. All requests must be accompanied by a signed manuscript. In addition, the electronic version of each notice to be published must be provided by e-mail, to the following address: gazette.officielle@cspq.gouv.qc.ca

For information concerning the publication of notices, please call:

Gazette officielle du Québec
1000, route de l'Église, bureau 500
Québec (Québec) G1V 3V9
Telephone: 418 644-7794
Fax: 418 644-7813
Internet: gazette.officielle@cspq.gouv.qc.ca

Subscriptions

For a subscription to the *Gazette officielle du Québec* in paper form, contact the customer service.

Les Publications du Québec
Customer service – Subscriptions
1000, route de l'Église, bureau 500
Québec (Québec) G1V 3V9
Telephone: 418 643-5150
Toll free: 1 800 463-2100
Fax: 418 643-6177
Toll free: 1 800 561-3479

All claims must be reported to us within 20 days of the shipping date.

Table of Contents

Page

Acts 2015

Regulations and other Acts

Draft Regulations

Notices

PROVINCE OF QUÉBEC

1ST SESSION

41ST LEGISLATURE

QUÉBEC, 4 DECEMBER 2015

OFFICE OF THE LIEUTENANT-GOVERNOR

Québec, 4 December 2015

This day, at forty minutes past one o'clock in the afternoon, His Excellency the Lieutenant-Governor was pleased to sanction the following bills:

54 An Act to improve the legal situation of animals

69 An Act to give effect mainly to fiscal measures announced in the Budget Speech delivered on 26 March 2015 (*modified title*)

210 An Act concerning an immovable situated in the territory of Ville de Québec

213 An Act respecting the property tax applicable to PF Résolu Canada Inc. as a consumer of the electric power it produces at its hydroelectric installations in the territory of Municipalité de Saint-David-de-Falardeau

216 An Act respecting the sale of an immovable situated on the Bois-Franc Ouest range in Notre-Dame-du-Sacré-Cœur-d'Issoudun

217 An Act respecting the continuance of La Mine Belleterre Québec Ltée (libre de responsabilité personnelle) and Boston Bay Mines Limited

To these bills the Royal assent was affixed by His Excellency the Lieutenant-Governor.

NATIONAL ASSEMBLY

FIRST SESSION FORTY-FIRST LEGISLATURE

Bill 54
(2015, chapter 35)

An Act to improve the legal situation of animals

Introduced 5 June 2015
Passed in principle 8 October 2015
Passed 4 December 2015
Assented to 4 December 2015

Québec Official Publisher
2015

EXPLANATORY NOTES

This Act introduces various amendments to improve the legal situation of animals.

The Civil Code of Québec is amended to explicitly provide that animals are sentient beings and not things.

The Animal Welfare and Safety Act is enacted, its purpose being to establish various rules to provide proper protection for domestic animals and certain wild animals. To that end, the owner or custodian of an animal must ensure that the animal receives care that is consistent with its biological needs. The new Act also prohibits a series of acts in connection with, in particular, the transport of animals and training animals to fight. In addition, it introduces the obligation for certain animal owners or custodians to hold a permit issued by the Minister of Agriculture, Fisheries and Food, and measures for providing assistance to animals in distress, such as powers relating to inspections, orders, seizures and confiscations. Lastly, it determines the penal provisions applicable when its provisions are contravened.

LEGISLATION AMENDED BY THIS ACT:

– Civil Code of Québec.

LEGISLATION ENACTED BY THIS ACT:

– Animal Welfare and Safety Act (2015, chapter 35, section 7).

LEGISLATION AMENDED BY THE LEGISLATION ENACTED BY THIS ACT:

– Code of Civil Procedure (chapter C-25.01);

– Act respecting administrative justice (chapter J-3);

– Act respecting La Financière agricole du Québec (chapter L-0.1);

– Act respecting the Ministère de l'Agriculture, des Pêcheries et de l'Alimentation (chapter M-14);

– Animal Health Protection Act (chapter P-42);

– Environment Quality Act (chapter Q-2).

REGULATION AMENDED BY THE LEGISLATION ENACTED BY THIS ACT:

– Regulation respecting animals in captivity (chapter C-61.1, r. 5).

REGULATION REPEALED BY THE LEGISLATION ENACTED BY THIS ACT:

– Regulation respecting the animal species or categories designated under Division IV.1.1 of the Animal Health Protection Act (chapter P-42, r. 6).

Bill 54

AN ACT TO IMPROVE THE LEGAL SITUATION OF ANIMALS

THE PARLIAMENT OF QUÉBEC ENACTS AS FOLLOWS:

PART I

AMENDMENTS TO THE CIVIL CODE OF QUÉBEC

1. The Civil Code of Québec is amended by adding the following after the heading of Book Four:

"GENERAL PROVISION

"**898.1.** Animals are not things. They are sentient beings and have biological needs.

In addition to the provisions of special Acts which protect animals, the provisions of this Code and of any other Act concerning property nonetheless apply to animals."

2. Article 905 of the Code is replaced by the following article:

"**905.** Things which can be moved are movables."

3. Article 910 of the Code is amended by replacing the second paragraph by the following paragraph:

"Fruits comprise things spontaneously produced by property or produced by the cultivation or working of land. Fruits also comprise the increase of animals and that which they produce."

4. Article 934 of the Code is amended by replacing the first paragraph by the following paragraph:

"**934.** Things without an owner are things that belong to no one or that have been abandoned."

5. Article 989 of the Code is amended

(1) by replacing "is carried or strays onto the land of another" in the first paragraph by "ends up on the land of another";

(2) by striking out ", whether object or animal," in the second paragraph.

6. Article 1161 of the Code is amended by replacing "the property" in the first paragraph by "the herd or flock".

PART II

ENACTMENT OF THE ANIMAL WELFARE AND SAFETY ACT

7. The Animal Welfare and Safety Act, the text of which appears in this Part, is enacted.

"ANIMAL WELFARE AND SAFETY ACT

"AS the condition of animals has become a social concern;

"AS animals contribute to the quality of life in Québec society;

"AS the human species has an individual and collective responsibility to ensure animal welfare and safety;

"AS animals are sentient beings that have biological needs;

"AS the State considers it essential to intervene in order to establish an effective legal and administrative regime to ensure animal welfare and safety;

"THE PARLIAMENT OF QUÉBEC ENACTS AS FOLLOWS:

"**CHAPTER I**

"OBJECT AND SCOPE

"**1.** The purpose of this Act is to establish rules to ensure the protection of animals with a view to guaranteeing their welfare and safety throughout their lives.

For the purposes of this Act,

(1) "animal", used alone, means

(*a*) a domestic animal, being an animal of a species or a breed that has been chosen by man to meet certain needs, such as cats, dogs, rabbits, cattle, horses, pigs, sheep, goats and chickens, and their hybrids;

(*b*) red foxes and American mink kept in captivity for breeding purposes with a view to dealing in fur, as well as any other animals or fish, within the meaning of the Act respecting the conservation and development of wildlife (chapter C-61.1), that are kept in captivity for breeding purposes with a view

to dealing in fur or in meat or other food products, and that are designated by regulation;

(*c*) any other animal to which the Act respecting the conservation and development of wildlife does not apply and that is designated by regulation;

(2) "companion animal" means a domestic or wild animal living with a human, in particular in their home, as a companion and for enjoyment purposes;

(3) "equine" means a domestic donkey, a miniature donkey, a domestic horse, a mule, a pony or a miniature horse;

(4) "animal care expenses" means the costs incurred to seize an animal or to take an abandoned animal or an animal that is the subject of an order into care, including the costs incurred to provide veterinary care, treatment and medication, and to transport, slaughter, euthanize or dispose of the animal;

(5) "biological needs" means the basic physical, physiological and behavioural needs related to such factors as the animal's species, race, age, stage of growth, size, level of physical or physiological activity, sociability with humans and other animals, cognitive abilities and state of health and those related to the animal's capacity to adapt to the cold or heat or to bad weather;

(6) "inspector" means a veterinary surgeon, an agrologist, an analyst or any other person appointed by the Minister under section 35;

(7) "judge", used alone, means a judge of the Court of Québec or of a municipal court or a presiding justice of the peace; and

(8) "person" means a natural person, a legal person, a partnership or an association without legal personality.

"**2.** The rules governing the welfare and safety of wild animals that are companion animals are set out in the Act respecting the conservation and development of wildlife and the regulations.

However, an inspector may see to the enforcement of those rules and exercise, with respect to such animals, the powers conferred on inspectors by this Act.

"**3.** The Government may, by regulation, on the conditions and in the manner it determines, exempt a person, an animal species or breed, a type of activity or establishment or a geographical region it determines from the application of all or part of this Act or the regulations.

"**4.** Any provision of an Act granting a power to a municipality and any provision of a by-law made by a municipality that is inconsistent with a provision of this Act or the regulations is inoperative.

The same applies to any provision of the standards or codes of practice compliance with which is made mandatory by the Government under paragraph 3 of section 64.

"**CHAPTER II**

"OBLIGATIONS OF CARE AND PROHIBITED ACTS

"**5.** The owner or custodian of an animal must ensure that the animal's welfare and safety are not compromised. An animal's welfare or safety is presumed to be compromised if the animal does not receive care that is consistent with its biological needs. Such care includes but is not limited to ensuring that the animal

(1) has access to drinking water and food of acceptable quality in sufficient quantity;

(2) is kept in a suitable place that is sanitary and clean with sufficient space and lighting and the layout or use of whose facilities are not likely to affect the animal's welfare or safety;

(3) is allowed an opportunity for adequate exercise;

(4) is provided with the necessary protection from excessive heat or cold and from bad weather;

(5) is transported in a suitable manner in an appropriate vehicle;

(6) is provided with the necessary care when injured, ill or suffering; and

(7) is not subjected to abuse or mistreatment that may affect its health.

For the purposes of subparagraph 1 of the first paragraph, snow and ice are not water.

"**6.** A person may not, by an act or omission, cause an animal to be in distress.

For the purposes of this Act, an animal is in distress if

(1) it is subjected to conditions that, unless immediately alleviated, will cause the animal death or serious harm;

(2) it is subjected to conditions that cause the animal to suffer acute pain; or

(3) it is exposed to conditions that cause the animal extreme anxiety or suffering.

"**7.** Sections 5 and 6 do not apply in the case of agricultural activities, veterinary medicine activities, teaching activities or scientific research activities carried on in accordance with generally recognized rules.

Agricultural activities include, in particular, the slaughter or euthanasia of animals and the use of animals for agricultural purposes or at agricultural exhibitions or fairs.

"**8.** The owner or custodian of a cat, a dog, an equine or any other animal determined by regulation must provide the animal with the stimulation, socialization and environmental enrichment that are consistent with its biological needs.

"**9.** No person may train an animal to fight another animal.

No person may own equipment or structures used in animal fights or used in training animals to fight. No person may have any such equipment or structures in their possession.

No owner or custodian of an animal may permit the animal to fight another animal or tolerate that the animal fight another animal.

"**10.** No person may load or transport an animal or allow an animal to be loaded or transported in a vehicle if, in particular by reason of infirmity, illness, injury or fatigue, the animal would suffer unduly during transport.

However, a person may load and transport an animal described in the first paragraph to take it to a veterinary establishment or the nearest suitable place so that it may promptly receive the care required, provided no needless suffering is inflicted on it in doing so.

"**11.** No person may unload an animal of the bovine, equine, porcine, ovine or caprine species or allow such an animal to be unloaded from a vehicle at an auction or at an animal assembling station if, in particular by reason of infirmity, illness, injury or fatigue, the animal is unable to stand or is suffering unduly.

Likewise, no person may accept such an animal or allow such an animal to be accepted at an establishment for the auction of animals or an animal assembling station for the same purposes.

The operator of premises referred to in the second paragraph must promptly inform the Minister that an animal referred to in the first paragraph was not accepted and provide any information that the Minister requests on the matter.

For the purposes of this section, "animal assembling station" means premises where animals are assembled for shipment, by any means of transportation, to other premises.

"**12.** When an animal is to be slaughtered or euthanized, its owner or custodian or the person who is to perform the act must ensure that the circumstances and the method used are not cruel and cause the animal a minimum of pain and anxiety. The method used must result in rapid loss of sensibility, followed by a quick death. The method must ensure that the animal does not regain sensibility before its death.

Immediately after slaughtering or euthanizing the animal, the person who performed the act must ascertain the absence of vital signs.

"**13.** No person may in any way hinder a personal service animal with a view to hampering it, including by touching it directly or indirectly or by blocking its way. The same holds for a service animal while it is assisting a peace officer in the performance of the officer's duties.

For the purposes of the first paragraph, a "personal service animal" means an animal that is needed by a handicapped person to assist the person and that has been certified as having been trained for that purpose by a professional service animal training organization.

"**14.** A veterinary surgeon or an agrologist who has reasonable cause to believe that an animal is being or has been subjected to abuse or mistreatment or that it is or has been in distress must, without delay, report their observations to the Minister and provide the Minister with

(1) the name and address of the owner or custodian of the animal, if the information is known; and

(2) the animal's identification.

No judicial proceedings may be instituted against a veterinary surgeon or an agrologist who, in good faith, fulfills the obligation to report under the first paragraph.

"**15.** No judicial proceedings may be instituted against a person who, having reasonable cause to believe that an animal's welfare or safety is or has been compromised, reported the situation in good faith.

"**CHAPTER III**

"PERMITS

"**DIVISION I**

"PERMIT HOLDERS

"**16.** No person may be the owner or custodian of 15 or more cats or dogs without holding a permit issued for that purpose by the Minister.

For the purposes of the first paragraph, kittens or pups less than six months old born to a dam kept on the same premises are excluded from the calculation of the number of cats or dogs.

Holders of the permit required under section 19 or 20 are not subject to the first paragraph of this section.

"**17.** No person may be the owner or custodian of 15 or more equines without holding a permit issued for that purpose by the Minister.

"**18.** No person may breed red foxes, American mink or any other animal or fish referred to in subparagraph *b* of subparagraph 1 of the second paragraph of section 1 without holding a permit issued for that purpose by the Minister.

"**19.** No person may operate premises where cats, dogs or equines are taken in with a view to transferring them to a new place of custody, euthanizing them or having them euthanized by a third party without holding a permit issued for that purpose by the Minister.

Premises referred to in the first paragraph include pounds, animal services, shelters and premises kept by persons or organizations dedicated to the protection of animals.

"**20.** No person may operate a pet shop, namely, a business where companion animals are kept and offered for sale to the public, without holding a permit issued for that purpose by the Minister.

The Government may, by regulation, determine the other cases in which a person who offers companion animals for sale must hold such a permit.

"**21.** Unless the buyer has been given prior notice in writing and has indicated their acceptance in writing, no holder of a permit required under section 20 may sell a domestic animal or allow a domestic animal to be sold if

(1) its imprinting is inexistent or insufficient or its socialization is inexistent;

(2) it is unable to feed or drink on its own; or

(3) it shows apparent signs of illness, injury or limiting congenital malformations.

For the purposes of subparagraph 1 of the first paragraph, "imprinting" means the process occurring in the early stages of an animal's life by which the animal learns to recognize the distinctive characteristics of its own species.

"**22.** No holder of a permit required under section 20 may give away or sell a companion animal or allow a companion animal to be given away or sold to a person under 16 years of age, unless the person is accompanied by the person having parental authority.

"**23.** The holder of a permit required under section 20 must include, in any form of publicity made by the holder, the name and address of the premises they operate, the number of their permit and the words "holder of a permit issued under the Animal Welfare and Safety Act".

"**DIVISION II**

"ADMINISTRATIVE PROVISIONS

"**24.** An application for a permit must be submitted to the Minister by the person who intends to use it, in the form and with the documents prescribed by regulation. If the applicant is a legal person or a partnership, the application is submitted, as applicable, by a duly mandated director or partner.

"**25.** The Minister may require that a person applying for a permit provide any additional information the Minister considers necessary or may require an inspection of the premises for which the permit is sought.

"**26.** The term of a permit is 12 months, except in the cases prescribed by regulation. However, the Minister may set a shorter term if the Minister considers that it is in the animals' interest to do so.

The permit may be renewed on the conditions prescribed in this Act and the regulations.

"**27.** The rights conferred by a permit are not transferable.

"**28.** The Minister issues a permit if the applicant meets the conditions and pays the fees prescribed by this Act and the regulations.

"**29.** The Minister may attach any conditions, restrictions or prohibitions the Minister considers appropriate, including limiting the number of animals the permit holder may keep on the premises concerned, to a permit at the time it is issued or to a permit that has already been issued. The conditions, restrictions or prohibitions are specified on the permit.

"**30.** The permit holder must display the permit on the premises for which it was issued, in a conspicuous place where it can easily be examined.

"**31.** After notifying the holder in writing as prescribed by section 5 of the Act respecting administrative justice (chapter J-3) and allowing the holder at least 10 days to submit observations, the Minister may refuse to issue a permit

(1) for reasons of public interest;

(2) if the Minister is of the opinion that the permit is not in the animals' interest or that the animals' welfare or safety will not be ensured; or

(3) if the applicant was found guilty, in the last five years, of an offence under an Act or a regulation or under the Criminal Code (Revised Statutes of Canada, 1985, chapter C-46) in relation to the treatment of animals or the illegal possession of animals, unless the applicant has been pardoned.

"**32.** After notifying the permit holder in writing as prescribed by section 5 of the Act respecting administrative justice and allowing the holder at least 10 days to submit observations, the Minister may suspend, cancel or refuse to renew a permit if

(1) the holder does not meet, or no longer meets, the conditions prescribed by this Act and the regulations for the issue or renewal of the permit;

(2) the holder fails to comply with any condition, restriction or prohibition specified on the permit;

(3) the holder has been found guilty of an offence under this Act or the regulations;

(4) the holder repeatedly fails to comply with this Act or the regulations; or

(5) the holder was found guilty of an offence under an Act or a regulation or under the Criminal Code (Revised Statutes of Canada, 1985, chapter C-46) in relation to the treatment of animals or the illegal possession of an animal, unless the applicant has been pardoned.

"**33.** A decision of the Minister under this division must be rendered in writing, with reasons, and notified to the person it concerns.

It takes effect on its date of notification.

"**34.** A person whose application for a permit is refused or whose permit is suspended, cancelled or not renewed may contest the Minister's decision before the Administrative Tribunal of Québec within 30 days after notification of the decision.

"**CHAPTER IV**

"INSPECTION AND INVESTIGATION

"**DIVISION I**

"INSPECTORS

"§1. — *Inspection*

"**35.** The Minister appoints, as inspectors, veterinary surgeons, agrologists, analysts or any other persons necessary to see to the enforcement of

(1) this Act and the regulations; and

(2) the provisions of the Act respecting the conservation and development of wildlife and the regulations that prescribe welfare- and safety-related rules applicable to wild animals that are companion animals.

For the purposes of this division, "animal", in addition to the meaning given in subparagraph 1 of the second paragraph of section 1, means a wild animal that is a companion animal.

Inspectors must exercise their functions in the public interest, with honesty, impartiality and to the best of their ability. They must also undergo any training required by the Minister.

"**36.** The Minister determines by directive, taking into account the type of livestock, the biosecurity rules to be complied with during the inspection of premises used for animal production.

"**37.** On request, an inspector must provide identification and produce a certificate of authority signed by the Minister.

"**38.** The owner of or person responsible for a vehicle or for premises being inspected, as well as any person in the vehicle or on the premises, is required to assist the inspector in the performance of inspection duties.

"**39.** An inspector who has reasonable cause to believe that an animal, a product or equipment to which an Act the inspector is responsible for enforcing applies is on premises or in a vehicle may, in the performance of inspection duties,

(1) enter and inspect the premises at any reasonable time;

(2) inspect a vehicle in which such an animal or product or such equipment is being transported or order any such vehicle to be stopped for inspection;

(3) examine the animal, product or equipment, open any container found on the premises or in the vehicle and take samples or specimens free of charge;

(4) record or take photographs of the premises, vehicle, animal, product or equipment; and

(5) require the production of any books, accounts, registers, records or other documents for examination or for the purpose of making copies or obtaining extracts, if the inspector has reasonable cause to believe that they contain information relating to the enforcement of an Act the inspector is responsible for enforcing or of the regulations under such an Act.

If an animal is in a dwelling house, an inspector may enter the dwelling house with the occupant's authorization or else with a search warrant obtained in accordance with the Code of Penal Procedure (chapter C-25.1).

On the basis of a sworn statement by the inspector asserting that the inspector has reasonable cause to believe that an animal is in the dwelling house and that the animal's welfare or safety is compromised, a judge of the Court of Québec or a presiding justice of the peace may issue a warrant, on the conditions the judge or justice indicates, authorizing the inspector to enter the dwelling house, seize the animal and dispose of it in accordance with this chapter.

If the premises or vehicle are unoccupied, the inspector leaves a notice indicating their name, the time of the inspection, as well as the reasons for the inspection.

"**40.** An inspector who has reasonable cause to believe that an animal is in distress in a dwelling house may require that the owner or occupant of the premises show them the animal so that they may see it and assess its condition. The owner or occupant must comply immediately.

"**41.** An inspector who has reasonable cause to believe that the welfare or safety of an animal that is in a vehicle or in any other enclosed place is compromised may use reasonable force to enter the vehicle or place in order to relieve or help the animal.

"§2. — *Seizure and confiscation*

"**42.** An inspector who has reasonable cause to believe that an animal is exposed to conditions that cause it significant suffering may, in the performance of inspection duties, whether or not a seizure has been made, confiscate the animal so that it may be euthanized, if the inspector has obtained the authorization of the animal's owner or custodian. Failing such authorization, the inspector may confiscate the animal so that it may be euthanized; the inspector must first obtain the opinion of a veterinary surgeon. If no veterinary surgeon is readily available and it is urgent to put an end to the animal's suffering, the inspector may act.

The inspector may ask that a necropsy be performed after the confiscated animal is euthanized.

The inspector may also confiscate the carcass of any dead animal found on the premises to have it destroyed. A necropsy may be performed before the carcass is destroyed.

"**43.** An inspector may, in the performance of inspection duties, seize an animal, a product or equipment to which this Act applies if the inspector has reasonable cause to believe that the animal, product or equipment was used to commit an offence under an Act or a regulation the inspector is responsible for enforcing or that an offence was committed against the animal or if the owner or custodian of an animal fails to comply with a decision or order under this Act.

"**44.** No person may use or remove that which was seized or allow it to be used or removed without the inspector's authorization.

"**45.** The inspector has custody of the seized animal and may keep the animal or entrust it to a person other than the person from whom it was seized.

The seized animal may be kept at the place of seizure if the owner or occupant of the place consents to it in writing, according to the terms agreed on by the parties. If the owner or occupant of the place does not consent to such custody or fails to respect the terms attached to it, the inspector may apply to a judge for authorization to keep the seized animal on site, on the conditions and according to the terms the judge deems appropriate.

In the case of an emergency, the inspector may, before obtaining authorization from a judge, establish interim custody measures to ensure the animal's welfare and safety.

Custody of that which was seized is maintained until it has been disposed of in accordance with this chapter or, if proceedings are instituted, until a judge otherwise disposes of it. On an application by the inspector, a judge may order that the detention period be extended for up to 90 days.

No judicial proceedings may be instituted by the person from whom an animal was seized against the person to whom the seized animal has been entrusted under this section for acts done in good faith within the scope of their mandate.

"**46.** The seized animal, product or equipment must be returned to its owner or custodian if

(1) 90 days have elapsed since the date of the seizure and no proceedings have been instituted; or

(2) before that time limit expires, the inspector considers that no offence under an Act or a regulation the inspector is responsible for enforcing was committed or that the owner or custodian of that which was seized has, since the seizure, complied with that Act and regulation, the Minister's decision or order or the judge's order.

However, if the owner or custodian of a seized animal is unknown or cannot be found, the animal is confiscated by the inspector seven days after the date of seizure. It is then disposed of in accordance with the second and third paragraphs of section 53.

"**47.** On the service of a statement of offence, the inspector must, unless an agreement has been made with the owner or custodian of the animal, apply to a judge for permission to dispose of the animal.

At least three clear days' prior notice of the application must be served on the person from whom the animal was seized, and that person may contest the application.

The judge rules on the application taking into consideration the animal's welfare and safety and, if applicable, the costs incurred by the detention under seizure. The judge may order that the animal be returned to the person from whom it was seized, that it be kept under seizure until a final judgment, or that it be given away, sold, euthanized or slaughtered.

If the judge orders that the animal be returned, it may be returned only on payment of the animal care expenses incurred as a result of the seizure.

If the judge orders that the animal be sold, the proceeds of the sale are remitted to the person from whom the animal was seized, after deduction of the animal care expenses incurred.

If the judge orders that the animal be kept under seizure until a final judgment is made, the judge orders the person from whom the animal was seized to pay an advance on future animal care expenses to the inspector in accordance with specified terms and in addition to the animal care expenses already incurred as a result of the seizure. The judge may order the confiscation of the animal if the person from whom it was seized fails to comply with the terms of payment of the advance, in which case the judge returns the animal to the inspector for disposal.

"**48.** The owner of an animal seized while in the custody of another person may apply to a judge for the animal's return. At least three clear days' prior notice of the application must be served on the inspector.

The judge grants the application if convinced that the animal's welfare and safety will not be compromised, on payment of the animal care expenses incurred as a result of the seizure. However, if no proceedings are instituted, the animal care expenses incurred as a result of the seizure are reimbursed to the animal's owner.

"**49.** Animal care expenses incurred as a result of a seizure are to be borne by the animal's owner or custodian, except where no proceedings are instituted. They bear interest at the rate fixed by regulation under the first paragraph of section 28 of the Tax Administration Act (chapter A-6.002).

"**50.** On application by the owner or custodian of the animal seized or taken into care under subdivision 3, the Minister provides a statement of the animal care expenses incurred for the animal. Not later than seven days after receiving the statement, the owner or custodian may apply to a judge to have the judge examine the statement and the contested expenses and determine the amount to be paid for animal care expenses.

In case of non-payment of the animal care expenses set out in the Minister's statement or of the amount determined by order of a judge, the Minister may, on the conditions and in the manner prescribed by regulation, sell the animal, give it away or have it euthanized or slaughtered.

The proceeds of the sale are remitted to the person from whom the animal was seized, after deduction of the animal care expenses incurred. If the owner is unknown or cannot be found, the balance is confiscated for the benefit of the State.

"§3. — *Taking abandoned animals into care*

"**51.** For the purposes of this subdivision, an animal is deemed to be abandoned if

(1) although not running at large, it is apparently without an owner or seemingly without a custodian;

(2) it is found alone on leased premises after the expiry or resiliation of the lease;

(3) it is found alone on premises after the owner has definitively sold or vacated the premises; or

(4) under an agreement entered into between its owner or custodian and another person, the animal has been left in that other person's care but has not been retrieved within four days after the agreed retrieval time.

"**52.** An inspector may take any abandoned animal into care and provide it with the care the inspector considers necessary. The inspector may also entrust custody of the animal to animal services or to a shelter, a pound or any person or organization dedicated to the protection of animals.

The inspector must take reasonable measures to locate the animal's owner as quickly as possible and to inform the owner of the actions taken in relation to the animal.

"**53.** Within seven days after taking an abandoned animal into care, the inspector returns the animal to its owner if the owner is known and has paid the animal care expenses incurred. The inspector may only do so if convinced that the owner will fulfill the obligations of care set out in Chapter II. Otherwise, the inspector informs the Minister, who gives notice to the owner of the Minister's decision to sell the animal, give it away or have it euthanized or slaughtered within seven days after notification of the notice, unless the owner exercises the right provided for in section 54.

If, within seven days after the abandoned animal was taken into care, its owner has not been located despite reasonable inquiries by the inspector, the

latter may sell the animal, give it away or have it euthanized or slaughtered on the conditions and in the manner prescribed by regulation.

Ownership of the animal sold or given away passes to the person to whom it was sold or given.

"**54.** An owner who has received a notice from the Minister under the first paragraph of section 53 may apply to a judge of the Court of Québec, within seven days after notification of the notice, for the animal's return.

If convinced that the animal's welfare and safety will not be compromised, the judge grants the application on payment of the animal care expenses.

"**DIVISION II**

"INVESTIGATORS

"**55.** The Minister may appoint investigators to see to the enforcement of this Act and the regulations.

"**DIVISION III**

"IMMUNITY FROM PROCEEDINGS

"**56.** No judicial proceedings may be instituted against an inspector or investigator for acts done in good faith in the performance of their duties.

"**57.** No judicial proceedings may be instituted against a veterinary surgeon who, in good faith, provides an inspector with an opinion under section 42.

"**CHAPTER V**

"ORDERS

"**58.** The Minister may order the owner or custodian of an animal to cease their custody or certain related activities or, conversely, to continue their custody or the related activities on the conditions the Minister determines, if the Minister considers

(1) that the animal is in distress; or

(2) that there is an immediate danger to the animal's welfare or safety.

"**59.** The order is effective for a period not exceeding 60 days. It must contain reasons and mention any minutes, analysis or research reports or other technical reports considered by the Minister.

The order is notified to the owner or custodian of the animal and has effect on its date of notification.

"**60.** The person named in an order may apply to a judge of the Court of Québec to have the order quashed within 30 days from its date of notification. Such an application does not suspend the application of the order.

The judge may confirm, vary or quash the order or make any other order the judge considers necessary under the circumstances. If the order is varied or quashed, the judge may enjoin the Minister to reimburse all or any part of the animal care expenses incurred to the applicant.

The judge may also, on the Minister's request,

(1) prohibit the owner or custodian of the animal from owning or having the custody of a number of animals the judge determines or a type of animal the judge specifies, for the time determined by the judge; and

(2) order that the animals belonging to the owner or in the custody of a person named in the order at the time the order is made and in excess of the number allowed or of a type other than the type authorized become the property of the State.

"**CHAPTER VI**

"MISCELLANEOUS PROVISIONS

"**61.** The Minister may enter into an agreement with any person or body, including a municipality, a metropolitan community or the Kativik Regional Government, to establish an inspection program for the enforcement of this Act.

The agreement must, in particular, determine the manner in which the program is to be implemented and financed, and the remuneration and other expenses of the inspectors that are to be borne by the person or body having entered into the agreement.

"**62.** For the purpose of better reconciling the welfare and safety requirements of animals with the activities carried on by Native people in certain regions and the cultural, climatic and geographical realities of those regions, the Government is authorized to enter into an agreement with a Native nation represented by all the band councils or the councils of the northern villages of the communities comprising that nation, with the Makivik Corporation, the Cree Nation Government, a Native community represented by its band council or by the northern village council, with a group of communities so represented or, in the absence of such councils, with any other Native group on any subject covered by this Act or the regulations.

The provisions of such an agreement take precedence over the provisions of this Act and the regulations. However, any person covered by an agreement

is only exempt from the application of the provisions of this Act or the regulations that are inconsistent with the agreement to the extent that the person respects the agreement.

An agreement entered into under this section is tabled in the National Assembly within 15 days after its signature or, if the Assembly is not sitting, within 15 days after resumption. In addition, it is published in the *Gazette officielle du Québec*.

"**63.** The Minister sends La Financière agricole du Québec any information, including personal information, enabling it to ensure compliance with this Act and the regulations as provided in the fourth paragraph of section 19 of the Act respecting La Financière agricole du Québec (chapter L-0.1).

La Financière agricole du Québec must, on request, provide the Minister with any information, including personal information, that enables the Minister to ensure compliance with this Act and the regulations.

"**CHAPTER VII**

"REGULATORY PROVISIONS

"**64.** The Government may, by regulation,

(1) designate any other animal that is to be included in the definition of "animal" in subparagraph 1 of the second paragraph of section 1;

(2) determine the conditions on and manner in which a person, an animal species or breed, a type of activity or establishment or a geographical region may be exempted from the application of this Act or the regulations;

(3) make compliance with provisions of animal care standards or codes of practice mandatory for persons determined by the Government and provide for the necessary adaptations and transitional provisions;

(4) determine the conditions on which an activity involving an animal may be carried on, restrict such an activity or prohibit certain classes of persons it determines from carrying on such an activity;

(5) determine the other animals which an owner or custodian must provide with stimulation, socialization and environmental enrichment that are consistent with their biological needs;

(6) in relation to permits and permit holders governed by Chapter III,

(*a*) determine the classes of permits and the conditions and restrictions attached to each;

(*b*) prescribe the form in which an application for a permit is to be submitted and the documents the applicant must provide;

(*c*) determine in which cases the term of a permit is different from the term prescribed by section 26;

(*d*) determine the other cases in which a permit required under the second paragraph of section 20 is required;

(*e*) determine the conditions on and manner in which permits are to be issued or renewed and the fees payable for a permit application; and

(*f*) determine the skills or qualifications required of a permit holder and those required of an employee assigned to the activities for which a permit is required;

(7) determine the classes of permits, other than those provided for in Chapter III, issued for specific purposes by the Minister to owners or custodians of 15 or more animals;

(8) prescribe standards applicable to the organization, management and operation of any premises where an activity involving an animal is carried on or for which a permit is required;

(9) determine the maximum number of animals that may be kept on any premises, in particular, according to their species or breed, the type of activity carried on by the owner or custodian or the type of premises on which they are kept, including pounds, animal shelters and premises kept by persons or organizations dedicated to the protection of animals;

(10) determine the maximum number of animals that may be kept by a single natural person;

(11) determine the protocols and registers that the owner or custodian of an animal must observe or keep, what each must minimally contain, where they must be kept, the reports the owner or custodian must file with the Minister, the information that must be reported and the frequency of the reporting;

(12) determine preventive measures for animals, in particular vaccination, sterilization, isolation or quarantine, and set out methods, procedures and conditions applicable to those measures;

(13) determine standards for euthanizing or slaughtering animals and regulate or prohibit certain methods, procedures and conditions;

(14) prescribe the conditions on and manner in which an abandoned animal may be sold, given away, euthanized or slaughtered;

(15) prescribe the procedure for inspections, the taking and analysis of samples or specimens, and seizures or confiscations in the course of an

inspection, and establish a model for any certificate, report or minutes to be drafted by an inspector;

(16) regulate, restrict or prohibit the use of training aids or restraining devices;

(17) regulate, restrict or prohibit certain cosmetic or other surgical procedures on certain categories or species of animals;

(18) to ensure the traceability of animals belonging to a specific species or category, require such animals to be identified on the conditions and according to the rules or procedures it determines, prescribe the obligations of owners or custodians of such animals or of any other person, and determine the fees payable;

(19) determine the animal care expenses to be borne by the owners of animals seized or taken into care under this Act or the manner in which such animal care expenses are to be calculated; and

(20) provide for any other measure intended to ensure the welfare or safety of animals, which measures may vary according to species or breed, the type of activity carried on by their owner or custodian or the type of premises on which they are kept.

"**CHAPTER VIII**

"PENAL PROVISIONS

"**65.** Anyone who contravenes section 13, 23 or 30 or a regulation made under paragraph 18 of section 64 is guilty of an offence and liable to a fine of $250 to $6,250 in the case of a natural person and $500 to $12,500 in other cases.

"**66.** Anyone who contravenes the third paragraph of section 11 or section 14 is guilty of an offence and liable to a fine of $500 to $12,500 in the case of a natural person and $1,000 to $25,000 in other cases.

"**67.** Anyone who contravenes section 21, 22 or 29 or a regulation made under any of paragraphs 3, 4, 9 to 13, 16, 17 and 20 of section 64 is guilty of an offence and liable to a fine of $1,000 to $25,000 in the case of a natural person and $2,000 to $50,000 in other cases.

"**68.** Anyone who

(1) contravenes any of sections 5, 6, 8 to 10, the first or second paragraph of section 11, sections 12, 16 to 20, 27, 38, 40 and 44, or

(2) in any way hinders an inspector in the performance of inspection duties, deceives an inspector by concealment or misrepresentation or refuses to provide

a document or information that the inspector is entitled to obtain under this Act,

is guilty of an offence and liable to a fine of $2,500 to $62,500 in the case of a natural person and $5,000 to $125,000 in other cases.

"**69.** Anyone who does not comply with an order made under section 58 is guilty of an offence and liable to a fine of $5,000 to $125,000 in the case of a natural person and $10,000 to $250,000 in other cases.

"**70.** The minimum and maximum fines prescribed by this Act are doubled for a second offence and tripled for a subsequent offence.

Despite article 231 of the Code of Penal Procedure, the judge may impose, in addition to these amounts:

(1) in the case of an offence punishable under section 68, a maximum term of imprisonment of 6 months for a second offence and 12 months for a subsequent offence; and

(2) in the case of an offence punishable under section 69, a maximum term of imprisonment of 12 months for a second offence and 18 months for a subsequent offence.

"**71.** If an offence under this Act or the regulations is committed by a director or officer of a legal person, partnership or association without legal personality, the minimum and maximum fines are those prescribed in other cases for that offence.

"**72.** Anyone who, by an act or omission, helps or, by encouragement, advice, consent, authorization or order, induces another person to commit an offence under this Act or the regulations is guilty of an offence and is liable to the same penalty as that prescribed for the offence the person helped or induced another person to commit.

"**73.** In any penal proceedings relating to an offence under this Act or the regulations, proof that the offence was committed by an agent, mandatary or employee of any party is sufficient to establish that it was committed by that party, unless the party establishes that it exercised due diligence and took all necessary precautions to prevent the offence.

"**74.** If a legal person or an agent, mandatary or employee of a legal person, partnership or association without legal personality commits an offence under this Act or the regulations, the directors or officers of the legal person, partnership or association are presumed to have committed the offence unless it is established that they exercised due diligence and took all necessary precautions to prevent the offence.

For the purposes of the first paragraph, in the case of a partnership, all partners, except special partners, are presumed to be directors of the partnership unless there is evidence to the contrary appointing one or more of them, or a third person, to manage the affairs of the partnership.

"**75.** For the purposes of sections 65 to 70, in determining the amount of the fine, the judge takes into account such factors as

(1) the seriousness of the harm or damage, or of the risk of harm or damage, to the safety or welfare of the animal;

(2) the number of animals involved;

(3) the duration of the offence;

(4) the repetitive nature of the offence;

(5) the foreseeable character of the offence or the failure to follow recommendations or warnings to prevent it;

(6) the condition of the premises or vehicle where or in which the animal is kept or transported;

(7) the personal characteristics of the offender;

(8) whether the offender acted intentionally or was reckless or negligent;

(9) the cost to society of repairing the injury or damage caused;

(10) the revenues and other benefits derived by the offender from the offence; and

(11) the failure to take reasonable measures to prevent the offence or limit its effects despite the offender's financial ability to do so, given such considerations as the size of the offender's undertaking and the offender's assets, turnover and revenues.

A judge who, despite the presence of an aggravating factor, decides to impose the minimum fine must give reasons for the decision.

"**76.** If a person is found guilty of an offence under section 5, 6, 9, 12 or 58 or a regulation made under paragraph 3, 4, 12, 13, 16, 17 or 20 of section 64, the judge may, on an application by the prosecuting party, make an order prohibiting the person from

(1) owning or having the custody of animals; or

(2) owning or having the custody of a certain number or type of animals, for a period that the judge considers appropriate.

The prohibition may apply in perpetuity in the case of a natural person or of a legal person controlled by a natural person.

When making the order, the judge confiscates any animals held in contravention of the order and determines how they are to be disposed of.

"**77.** Penal proceedings for an offence under any of sections 5, 6, 16 to 23 and 58 or a regulation made under paragraph 3, 4, 12, 13, 16, 17 or 20 of section 64 may be instituted before the municipal court by the local municipality in whose territory the offence was committed. The fines and costs relating to such an offence belong to the municipality.

"**CHAPTER IX**

"AMENDING PROVISIONS

"CODE OF CIVIL PROCEDURE

"**78.** Article 694 of the Code of Civil Procedure (chapter C-25.01) is amended in the fourth paragraph

(1) by replacing "The following" by "Companion animals and the following property";

(2) by striking out subparagraph 3.

"ACT RESPECTING ADMINISTRATIVE JUSTICE

"**79.** Schedule IV to the Act respecting administrative justice (chapter J-3) is amended by inserting the following paragraph after paragraph 4:

"(4.0.0.1) section 34 of the Animal Welfare and Safety Act (2015, chapter 35, section 7);".

"ACT RESPECTING LA FINANCIÈRE AGRICOLE DU QUÉBEC

"**80.** Section 19 of the Act respecting La Financière agricole du Québec (chapter L-0.1) is amended by adding the following paragraph at the end:

"In addition, compliance with the Animal Welfare and Safety Act (2015, chapter 35, section 7) and the regulations must be a criterion in the preparation and administration of the programs of the agency. Compliance with that Act and the regulations or not having been placed under an order under that Act may be among the conditions for the payment of all or part of the sums of money to which those programs give entitlement."

"ACT RESPECTING THE MINISTÈRE DE L'AGRICULTURE, DES PÊCHERIES ET DE L'ALIMENTATION

"**81.** The Act respecting the Ministère de l'Agriculture, des Pêcheries et de l'Alimentation (chapter M-14) is amended by inserting the following section after section 23:

"**23.1.** The Minister may, within the framework of any financial assistance program, require that compliance with the Animal Welfare and Safety Act (2015, chapter 35, section 7) and the regulations be a criterion in the preparation and administration of the program. Compliance with the Act and the regulations or not having been placed under an order under that Act may be among the conditions for the payment of all or part of the sums of money to which the program gives entitlement."

"ANIMAL HEALTH PROTECTION ACT

"**82.** Division IV.1.1 of the Animal Health Protection Act (chapter P-42), comprising sections 55.9.1 to 55.9.16.2, is repealed.

"**83.** Section 55.13 of the Act is amended by striking out the second paragraph.

"**84.** Sections 55.43.1 to 55.43.1.4, 55.45.1 and 56.0.1 of the Act are repealed.

"ENVIRONMENT QUALITY ACT

"**85.** Section 2.0.1 of the Environment Quality Act (chapter Q-2) is amended by replacing "last" in the first paragraph by "third".

"REGULATION RESPECTING ANIMALS IN CAPTIVITY

"**86.** Section 1 of the Regulation respecting animals in captivity (chapter C-61.1, r. 5) is amended by adding the following paragraph after the first paragraph:

"Sections 3 and 4 do not apply to wild animals kept in captivity for breeding purposes with a view to dealing in fur or in meat or other food products if the animal is governed by the Animal Welfare and Safety Act (2015, chapter 35, section 7)."

"**87.** Section 12 of the Regulation is amended by replacing the third paragraph by the following paragraph:

"Where an animal of a species listed in Schedule II, excluding bovidae, camelidae, cervidae, boar or ratitae, is sold by a retail merchant, the latter must

(1) provide the purchaser with an information sheet on which appear the name of the species, its normal adult size and the conditions essential to its well-being;

(2) if the animal is incapable of feeding or drinking on its own, inform the purchaser of that fact in writing and obtain the purchaser's acceptance in writing; and

(3) if the animal shows apparent signs of illness, injury or limiting congenital malformations, inform the purchaser of that fact in writing and obtain the purchaser's acceptance in writing."

"**88.** Sections 13 and 14 of the Regulation are replaced by the following sections:

"**13.** The holder of a permit to breed fur-producing animals issued under the Animal Welfare and Safety Act (2015, chapter 35, section 7) need not hold a licence to keep an animal of a species listed in Schedule III in captivity.

"**14.** Anyone who keeps an animal referred to in section 13 in captivity may dispose of it by selling it, giving it away or slaughtering it."

"REGULATION RESPECTING THE ANIMAL SPECIES OR CATEGORIES DESIGNATED UNDER DIVISION IV.1.1 OF THE ANIMAL HEALTH PROTECTION ACT

"**89.** The Regulation respecting animal species or categories designated under Division IV.1.1 of the Animal Health Protection Act (chapter P-42, r. 6) is repealed.

"**CHAPTER X**

"TRANSITIONAL AND FINAL PROVISIONS

"**90.** The Regulation respecting the safety and welfare of cats and dogs (chapter P-42, r. 10.1), except section 43, is deemed to have been made under section 64.

"**91.** Permits issued under section 55.9.4.1 or 55.9.4.2 of the Animal Health Protection Act (chapter P-42), as they read before being repealed by section 82, are deemed to have been issued under this Act.

"**92.** An application for a permit or for the renewal of a permit under Division IV.1.1 of the Animal Health Protection Act, as it read before being repealed by section 82, is deemed to be made under this Act.

"**93.** A decision of the Minister to suspend, revoke or refuse to renew a permit referred to in section 55.9.4.1 or 55.9.4.2 of the Animal Health Protection

Act, as it read before being repealed by section 82, continues to produce its effects as if it had been made under this Act.

"**94.** An order made by the Minister under section 55.9.6 of the Animal Health Protection Act, as it read before being repealed by section 82, is deemed to have been made under section 58 and continues to produce its effects until the expiry of the time limit set.

"**95.** The Minister of Agriculture, Fisheries and Food is responsible for the administration of this Act.

"**96.** The Minister must, not later than 4 December 2020, report to the Government on the carrying out of this Act.

The report is tabled by the Minister in the National Assembly within 30 days or, if the Assembly is not sitting, within 30 days after resumption."

PART III

TRANSITIONAL AND FINAL PROVISIONS

8. The first regulation made under paragraph 6 of section 64 of the Animal Welfare and Safety Act (2015, chapter 35, section 7) in connection with the implementation of sections 16 to 20 of that Act, is not subject to the publication requirement set out in section 8 of the Regulations Act (chapter R-18.1). Despite section 17 of that Act, such a regulation comes into force on the 15th day after the date of its publication in the *Gazette officielle du Québec* or on any later date set in the regulation.

9. Until a first regulation is made under paragraph 14 of section 64 of the Animal Welfare and Safety Act enacted by section 7, an inspector may sell an animal, give it away or have it euthanized or slaughtered in the case described in the second paragraph of section 53, after having first sought a veterinary surgeon's opinion.

10. This Act comes into force on 4 December 2015, except sections 16 to 20 of the Animal Welfare and Safety Act, enacted by section 7, which come into force on the date or dates to be set by the Government.

NATIONAL ASSEMBLY

FIRST SESSION FORTY-FIRST LEGISLATURE

Bill 69
(2015, chapter 36)

An Act to give effect mainly to fiscal measures announced in the Budget Speech delivered on 26 March 2015

Introduced 10 November 2015
Passed in principle 18 November 2015
Passed 4 December 2015
Assented to 4 December 2015

Québec Official Publisher
2015

EXPLANATORY NOTES

This Act amends various Acts to give effect mainly to fiscal measures announced in the Budget Speech delivered on 26 March 2015 and in various Information Bulletins published in 2014 and 2015.

The Taxation Act is amended to introduce or modify fiscal measures specific to Québec. More specifically, the amendments deal with

(1) enhancement of the tax credit for experienced workers;

(2) establishment of a fiscal shield;

(3) increase in the age of eligibility for the tax credit with respect to age;

(4) revision of the operating terms of the solidarity tax credit;

(5) increase in the rates of the tax credit for on-the-job training periods and of tax credits in the cultural field;

(6) two-year extension of the tax credit for the integration of information technologies in manufacturing SMEs and its extension to the primary sector;

(7) standardization of the rate of tax credits for scientific research and experimental development and introduction of an excluded expense amount for the purpose of computing those tax credits;

(8) revision of the refundable tax credit for the development of e-business and introduction of a non-refundable tax credit; and

(9) increase in the eligible amount of gifts of food products by a farming business.

The Act respecting the sectoral parameters of certain fiscal measures is amended to modify the conditions for issuing various documents necessary to obtain refundable tax credits intended for new financial services corporations so that tax assistance granted through those tax credits is given to corporations carrying on activities that are truly new.

The Act respecting the Régie de l'assurance maladie du Québec is amended to provide for the gradual elimination of the health contribution starting 1 January 2017.

The Taxation Act and the Act respecting the Québec sales tax are amended to make amendments similar to those made to the Income Tax Act and the Excise Tax Act by federal bills assented to in 2013 and 2014. The Act gives effect mainly to harmonization measures announced in various Information Bulletins published in 2013 and 2014 and in the Budget Speech delivered on 4 June 2014. More specifically, the amendments deal with

(1) rules pertaining to trusts not resident in Canada;

(2) tax treatment of awards paid under the Offshore Tax Informant Program;

(3) restricted farm losses; and

(4) pooled registered pension plans.

The Tax Administration Act and the Act to facilitate the payment of support are amended to adapt the judgment execution procedure set out in the new Code of Civil Procedure to the responsibilities of the Agence du revenu du Québec under those Acts.

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

LEGISLATION AMENDED BY THIS ACT:

– Tax Administration Act (chapter A-6.002);

– Taxation Act (chapter I-3);

– Act to facilitate the payment of support (chapter P-2.2);

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

– Act respecting the legal publicity of enterprises (chapter P-44.1);

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

– Educational Childcare Act (chapter S-4.1.1);

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

– Fuel Tax Act (chapter T-1);

– Act giving effect to the Budget Speech delivered on 24 May 2007, to the 1 June 2007 Ministerial Statement Concerning the Government's 2007–2008 Budgetary Policy and to certain other budget statements (2009, chapter 5);

– Act to amend the Act respecting the Québec sales tax and other legislative provisions (2012, chapter 28);

– Act to give effect to the Budget Speech delivered on 4 June 2014 and to various other fiscal measures (2015, chapter 21).

Bill 69

AN ACT TO GIVE EFFECT MAINLY TO FISCAL MEASURES ANNOUNCED IN THE BUDGET SPEECH DELIVERED ON 26 MARCH 2015

THE PARLIAMENT OF QUÉBEC ENACTS AS FOLLOWS:

TAX ADMINISTRATION ACT

1. (1) Section 12.0.2 of the Tax Administration Act (chapter A-6.002), amended by section 2 of chapter 24 of the statutes of 2015, is again amended by inserting "an assessment relating to an additional contribution payable under section 88.2 of the Educational Childcare Act (chapter S-4.1.1)," after "(chapter R-5)," in the portion of the first paragraph before subparagraph *a*.

(2) Subsection 1 has effect from 21 April 2015.

2. The Act is amended by inserting the following section after section 13:

"**13.1.** The execution of a judgment rendered after a certificate is filed under section 13 is to proceed in accordance with the rules of Book VIII of the Code of Civil Procedure (chapter C-25.01), subject to the special rules set out in this Act and the following rules:

(*a*) the Minister may enter into an agreement with the debtor for the payment of instalments over a period of time, which may exceed one year, that the Minister determines; such an agreement need not be filed with the court office;

(*b*) the Agency shall act as seizing creditor; it shall prepare the notice of execution and file it with the court office; the notice is valid only for the execution of a judgment effected under this Act and does not prevent the filing of a notice for the execution of another judgment;

(*c*) the Agency seizes a sum of money or income in the hands of a third person, but entrusts the administration of subsequent steps, including the receipt and distribution of the sum or income, to the clerk of the court seized; the Agency serves the notice of execution on the defendant and the garnishee, but is not required to inform the defendant's creditors or deal with their claims, or to join in a seizure in the hands of a third person already undertaken previously by a bailiff in another case if the seizure to be made by the Agency is for other sums or income than the sums or income specified in the notice of execution filed by the bailiff;

(*d*) the Agency is required to hire the services of a bailiff for the seizure of movable or immovable property, to give the bailiff instructions and to amend the notice of execution accordingly; in such a case, if a notice for the execution of a judgment was filed by a bailiff in another case prior to the Agency's request, the Agency or the bailiff hired by the Agency joins in the seizure already undertaken.

The Agency is not required to pay an advance to cover execution-related costs.

The Agency may ask the court for custody of the seized property."

3. Section 15.8 of the Act is replaced by the following section:

"**15.8.** Sections 15 to 15.5 apply despite any provision to the contrary but subject to the provisions on exemption from seizure in the Code of Civil Procedure (chapter C-25.01). However, where article 699 of that Code applies because of an instalment payment agreement, the agreement must be entered into with the Minister."

4. (1) Section 36.0.1 of the Act is amended

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

"**36.0.1.** Section 36 does not apply in respect of the time limit for filing the prescribed form containing prescribed information provided for in sections 230.0.0.4.1, 1029.6.0.1.2 and 1029.8.0.0.1 of the Taxation Act (chapter I-3).";

(2) by striking out the second paragraph.

(2) Subsection 1 applies to a taxation year that begins after 26 March 2015.

5. (1) Section 36.1 of the Act is amended by striking out "to the extent that the time limit has not been extended in accordance with the second paragraph of section 1029.6.0.1.2 of the Taxation Act or the second paragraph of section 36.0.1" in the third paragraph.

(2) Subsection 1 applies to a taxation year that begins after 26 March 2015.

6. (1) Section 93.1.1 of the Act is amended by inserting ", an assessment relating to an additional contribution payable under section 88.2 of the Educational Childcare Act (chapter S-4.1.1)," after "(chapter R-9)" in the second paragraph.

(2) Subsection 1 has effect from 21 April 2015.

7. (1) Section 93.2 of the Act is amended by inserting the following paragraph after paragraph *m*:

"(*m*.1) an assessment relating to an additional contribution payable under section 88.2 of the Educational Childcare Act (chapter S-4.1.1);".

(2) Subsection 1 has effect from 21 April 2015.

TAXATION ACT

8. (1) Section 21.20.9 of the Taxation Act (chapter I-3), amended by section 98 of chapter 21 of the statutes of 2015, is again amended

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

"**21.20.9.** In sections 21.20.7 and 21.20.8, "specified entity" means any of the following entities:";

(2) by striking out the second paragraph.

(2) Subsection 1 applies to a taxation year that begins after 26 March 2015.

9. (1) Section 87 of the Act, amended by section 111 of chapter 21 of the statutes of 2015 and section 25 of chapter 24 of the statutes of 2015, is again amended

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

"(*l*) any amount required by Title X to be included in computing the taxpayer's income for the year;";

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

"ii. except as provided by any provision of Title III.3 or III.4 of Book V or of Chapter III.1 of Title III of Book IX, does not reduce, for the purposes of this Part, the cost or capital cost of the property or the amount of the outlay or expense, as the case may be,".

(2) Paragraph 1 of subsection 1 applies to a taxation year that ends after 31 December 2006.

(3) Paragraph 2 of subsection 1 has effect from 27 March 2015.

10. (1) Section 96.2 of the Act is replaced by the following section:

"**96.2.** For the purpose of determining whether property meets the prescribed criteria in respect of prescribed energy conservation property, the Technical Guide to Class 43.1 and 43.2, as amended from time to time and published by the Department of Natural Resources of Canada, applies conclusively, with the necessary modifications, with respect to engineering and scientific matters."

(2) Subsection 1 has effect from 12 December 2014.

11. (1) Section 175.8 of the Act is amended by replacing paragraph *c* by the following paragraph:

"(*c*) the disposition is not a disposition that is deemed to have occurred under any of sections 436, 440, 444, 450, 450.6 and 653, Chapter I of Title I.1 of Book VI, paragraph *a* or *c* of section 785.5, or section 832.1 or 999.1;".

(2) Subsection 1 applies in respect of a disposition that occurs after 31 December 1998.

12. (1) Sections 205 and 206 of the Act are replaced by the following sections:

"**205.** Where a taxpayer's chief source of income for a taxation year is neither farming nor a combination of farming and some other source of income that is a subordinate source of income for the taxpayer, the loss from all farming businesses carried on by the taxpayer is deemed to be the aggregate of

(*a*) the lesser of the following amounts:

i. the amount by which the aggregate of the taxpayer's losses, determined without reference to this division and before any deduction under sections 222 to 230, from all farming businesses carried on by the taxpayer during the year exceeds the aggregate of the taxpayer's incomes, so determined, of the same nature for the same year, and

ii. $2,500 plus the lesser of $15,000 and one-half of the amount by which the amount determined under subparagraph i exceeds $2,500; and

(*b*) the amount by which the amount that would be computed under subparagraph i of paragraph *a*, if subparagraph i were read without reference to "and before any deduction under sections 222 to 230", exceeds the amount computed under that subparagraph.

"**206.** Section 205 does not apply to a taxpayer for a taxation year if the taxpayer's chief source of income for the year is a combination of farming and manufacturing or processing in Canada of goods for sale and all or substantially all output from all farming businesses carried on by the taxpayer is used in the manufacturing or processing."

(2) Subsection 1 applies to a taxation year that ends after 20 March 2013.

13. (1) Section 230.0.0.4.1 of the Act is amended by replacing subparagraph *a* of the second paragraph by the following subparagraph:

"(*a*) the taxpayer has filed with the Minister the prescribed form containing prescribed information and, if applicable, a copy of each agreement, certificate, favourable advance ruling, qualification certificate, rate schedule, receipt or report within the time limit provided for in the first paragraph of section 1029.6.0.1.2 that applies to the taxpayer for the taxation year, so as to be deemed to have paid an amount to the Minister for the year in respect of the expenditure under any of Divisions II.5.1 to II.6.15 of Chapter III.1 of Title III of Book IX; and".

(2) Subsection 1 applies to a taxation year that begins after 26 March 2015.

14. (1) Section 238 of the Act, amended by section 146 of chapter 21 of the statutes of 2015, is again amended by replacing paragraph *a* by the following paragraph:

"(*a*) a disposition deemed to have occurred under section 242, as it read before 1 January 1993, any of sections 281, 283, 299 to 300, 436, 440, 444, 450, 450.6 and 653, Chapter I of Title I.1 of Book VI, paragraph *a* or *c* of section 785.5 or any of sections 832.1, 851.22.15, 851.22.23 to 851.22.31, 861, 862 and 999.1;".

(2) Subsection 1 applies in respect of a disposition that occurs after 31 December 1998. However, where section 238 of the Act applies to a taxation year that begins before 1 October 2006, it is to be read as if "or any of sections 832.1, 851.22.15, 851.22.23 to 851.22.31," in paragraph *a* were replaced by ", section 832.1 or 851.22.15, paragraph *b* of section 851.22.23, or any of sections".

15. (1) Section 255 of the Act, amended by section 52 of chapter 24 of the statutes of 2015, is again amended

(1) by replacing "in any of paragraphs *a*, *b* and *g* to *j*" in paragraph *c*.6 by "in any of paragraphs *a*, *b*, *e* and *g* to *j*";

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

"(*g*) where the property is a share of the capital stock of a foreign affiliate of the taxpayer, any amount required by Chapter IV of Title X to be added;";

(3) by replacing "section 231.2" in subparagraph 1 of subparagraph i of paragraph *i* by "sections 231.2 and 231.2.1";

(4) by replacing paragraph *j* by the following paragraph:

"(*j*) where the property is a capital interest in a trust, any amount that is included under section 580 or 582 in computing the taxpayer's income for a taxation year that ends at or before the particular time, in respect of that interest, or that would have been so required to have been included for such a taxation year but for sections 316.1, 456 to 458, 462.1 to 462.24.1 and 466 to 467.1;".

(2) Paragraph 1 of subsection 1 applies in respect of a disposition that occurs after 31 December 2001.

(3) Paragraph 2 of subsection 1 has effect from 21 December 2002.

(4) Paragraph 3 of subsection 1 applies in respect of a gift made after 25 February 2008.

(5) Paragraph 4 of subsection 1 applies to a taxation year that ends after 31 December 2006. However, for the purpose of computing the adjusted cost base to a taxpayer of a capital interest in a trust that is disposed of on or before 27 August 2010, paragraph *j* of section 255 of the Act is to be read as follows:

"(*j*) where the property is a capital interest in a trust, any amount that is required by section 580 or 582 to be included in computing the taxpayer's income for a taxation year that ends before the particular time, in respect of that interest, or that would have been so required by that section to have been included but for sections 316.1, 456 to 458, 462.1 to 462.24.1 and 466 to 467.1;".

(6) Despite sections 1010 to 1011 of the Act, where a taxpayer has made a valid election under paragraph *b* of section 53 of the Technical Tax Amendments Act, 2012 (Statutes of Canada, 2013, chapter 34) in relation to section 29 of that Act, the Minister of Revenue shall, under Part I of the Taxation Act, make any assessments of the taxpayer's tax, interest and penalties as are necessary for any taxation year to give effect to paragraph 2 of subsection 1 and subsection 3. Sections 93.1.8 and 93.1.12 of the Tax Administration Act (chapter A-6.002) apply to such assessments, with the necessary modifications.

(7) Chapter V.2 of Title II of Book I of Part I of the Taxation Act applies in relation to an election referred to in subsection 6. For the purposes of section 21.4.7 of the Act in respect of such an election, a taxpayer is deemed to have complied with a requirement of section 21.4.6 of the Act if the taxpayer complies with it on or before 1 June 2016.

16. (1) Section 257 of the Act, amended by section 148 of chapter 21 of the statutes of 2015 and section 54 of chapter 24 of the statutes of 2015, is again amended by replacing paragraph *p* by the following paragraph:

"(*p*) where the property is a capital interest in a trust, any amount that is deducted under section 581 or 583 in computing the taxpayer's income for a taxation year that ends at or before the particular time, in respect of the interest, or that could have been so deducted for such a taxation year but for sections 316.1, 456 to 458, 462.1 to 462.24.1 and 466 to 467.1;".

(2) Subsection 1 applies to a taxation year that ends after 31 December 2006.

17. (1) Section 301 of the Act is amended by replacing subparagraph *a* of the first paragraph by the following subparagraph:

"(*a*) except for the purposes of sections 157.6, 280.10 and 280.11 and paragraph *o* of section 594, the exchange is deemed not to be a disposition of property;".

(2) Subsection 1 applies to a taxation year of a taxpayer that begins after 31 December 1999. However, where section 301 of the Act applies to a taxation year that ends before 1 January 2007, it is to be read as if subparagraph *a* of the first paragraph were replaced by the following subparagraph:

"(*a*) except for the purposes of sections 157.6, 280.10 and 280.11, the exchange is deemed not to be a disposition of property;".

18. (1) The Act is amended by inserting the following section after section 313.13, enacted by section 158 of chapter 21 of the statutes of 2015:

"**313.14.** A taxpayer shall also include any amount received in the year under a contract, to provide information to the Canada Revenue Agency, entered into by the taxpayer under a program administered by the Canada Revenue Agency to obtain information relating to tax non-compliance."

(2) Subsection 1 has effect from 19 June 2014.

19. (1) Section 336 of the Act, amended by section 166 of chapter 21 of the statutes of 2015, is again amended by inserting the following paragraph after paragraph *d*.3.0.1:

"(*d*.3.0.2) the aggregate of all amounts each of which is an amount paid in the year as a repayment of an amount that was included, because of section 313.14, in computing the taxpayer's income for the year or a preceding taxation year;".

(2) Subsection 1 has effect from 19 June 2014.

20. (1) Section 399.7 of the Act is amended by replacing the second paragraph by the following paragraph:

"For the purpose of determining whether an outlay or expense in respect of a prescribed energy conservation property meets the prescribed criteria in respect of Canadian renewable and conservation expenses, the Technical Guide to Canadian Renewable and Conservation Expenses, as amended from time to time and published by the Department of Natural Resources of Canada, applies conclusively with respect to engineering and scientific matters."

(2) Subsection 1 has effect from 21 December 2012.

21. (1) Section 467 of the Act is amended by replacing the portion before paragraph *a* by the following:

"**467.** The income, loss, taxable capital gain or allowable capital loss attributable to property held by a trust created since 1934 that is resident in Canada is deemed, if the property or property for which it was substituted has been directly or indirectly received from a person (in this section referred to as the "transferor"), to be that of the transferor throughout the existence of the transferor as long as the transferor is resident in Canada and if either property meets any of the following conditions:".

(2) Subsection 1 applies to a taxation year that ends after 20 March 2013. However, where section 467 of the Act has effect before 4 December 2015, the portion of that section before paragraph *a* is to be read as follows:

"**467.** The income, loss, taxable capital gain or allowable capital loss from property transferred by a person (in this section referred to as the "transferor") or substituted for such property is deemed to be that of the transferor during the existence of the transferor while the transferor is resident in Canada if the property or property for which it was substituted has been transferred to a trust created since 1934, if the trust is resident in Canada and if either property meets any of the following conditions:".

22. (1) Section 467.1 of the Act, amended by section 173 of chapter 21 of the statutes of 2015, is again amended by striking out paragraph *c*.

(2) Subsection 1 applies to a taxation year that ends after 20 March 2013. In addition, where section 467.1 of the Act

(1) applies to a taxation year that ends after 4 March 2010 and before 21 March 2013, it is to be read as if the following paragraph were inserted after paragraph *c*.1:

"(*c*.2) by a trust if the person from whom the trust acquired the property is, in respect of the trust, an electing contributor within the meaning of the first paragraph of section 593; or"; or

(2) applies to a taxation year that ends after 31 December 2006 and before 21 March 2013, it is to be read as if the following paragraph were inserted after paragraph *c*.2, enacted by paragraph 1:

"(*c*.3) by a trust that is not resident in Canada, but would be resident in Canada for the purpose of computing its income for the year if the definition of "resident contributor" in the first paragraph of section 593 were read without reference to its paragraph *a*; or".

23. (1) Section 560 of the Act is amended by replacing subparagraph *b* of the first paragraph by the following subparagraph:

"(*b*) the amount by which the fair market value of the particular capital property, at the time the parent last acquired control of the subsidiary, exceeds the aggregate of

i. the greater of the cost amount to the subsidiary of the capital property at the time the parent last acquired control of the subsidiary and the cost amount to the subsidiary of the capital property immediately before the winding-up, and

ii. the amount prescribed for the purposes of C in the formula in subparagraph ii of paragraph *d* of subsection 1 of section 88 of the Income Tax Act."

(2) Subject to subsections 3 and 4, subsection 1 applies in respect of an amalgamation that occurs after 27 February 2004 or a winding-up that begins after that date. However, where section 560 of the Act applies in respect of an amalgamation that occurs before 21 December 2012 or a winding-up that begins before that date or an amalgamation or winding-up described in subsection 3, subparagraphs i and ii of subparagraph *b* of the first paragraph of that section 560 are to be read as follows:

"i. the cost amount to the subsidiary of the capital property immediately before the winding-up, and

"ii. the amount prescribed for the purposes of clause B of subparagraph ii of paragraph *d* of subsection 1 of section 88 of the Income Tax Act."

(3) An amalgamation or winding-up to which subsection 2 refers is an amalgamation of a taxable Canadian corporation (in this subsection and subsection 4 referred to as the "parent") that acquired control of another taxable Canadian corporation (in this subsection and subsection 4 referred to as the "subsidiary") with the subsidiary that occurs after 20 December 2012 and before 1 July 2013 or a winding-up of the subsidiary into the parent that begins after 20 December 2012 and before 1 July 2013 if

(1) the parent acquired control of the subsidiary before 21 December 2012 or was obligated, as evidenced in writing, before that date, to acquire control of the subsidiary; and

(2) the parent had the intention, as evidenced in writing, before 21 December 2012, to amalgamate with, or wind up, the subsidiary.

(4) For the purposes of paragraph 1 of subsection 3, the parent is not considered to be obligated to acquire control of the subsidiary if, as a result of amendments to the Income Tax Act (Revised Statutes of Canada, 1985, chapter 1, 5th Supplement), the parent may be excused from that obligation.

(5) Despite sections 1010 to 1011 of the Taxation Act, where a taxpayer has made a valid election under paragraph *b* of section 53 of the Technical Tax Amendments Act, 2012 (Statutes of Canada, 2013, chapter 34) in relation to section 30 of that Act, the Minister of Revenue shall, under Part I of the Taxation Act, make any assessments of the taxpayer's tax, interest and penalties as are necessary for any taxation year to give effect to subsections 1 and 2 in respect of the election. Sections 93.1.8 and 93.1.12 of the Tax Administration Act (chapter A-6.002) apply to such assessments, with the necessary modifications.

(6) Chapter V.2 of Title II of Book I of Part I of the Taxation Act applies in relation to an election referred to in subsection 5. For the purposes of section 21.4.7 of the Act in respect of such an election, a taxpayer is deemed to have complied with a requirement of section 21.4.6 of the Act if the taxpayer complies with it on or before 1 June 2016.

24. (1) The Act is amended by inserting the following section after section 560.2:

"**560.2.1.** If a corporation amends, in accordance with paragraph *c* of subsection 1.8 of section 88 of the Income Tax Act (Revised Statutes of Canada, 1985, chapter 1, 5th Supplement), a designated amount (in this section referred to as the "initial designation") referred to in subparagraph i of subparagraph *a* of the first paragraph of section 560 in respect of a share of the capital stock of a foreign affiliate of the corporation, or an interest in a partnership that, in accordance with paragraph *c* of section 600, owns a share of the capital stock of a foreign affiliate of the corporation, and subsection 1.9 of that section 88 applies in respect of the initial designation, the amended designation is deemed to have been made on the day on which the initial designation was made and the initial designation is deemed not to have been made."

(2) Subsection 1 has effect from 19 December 2009.

(3) Despite sections 1010 to 1011 of the Act, where a taxpayer has made a valid election under paragraph *b* of section 53 of the Technical Tax Amendments Act, 2012 (Statutes of Canada, 2013, chapter 34) in relation to section 30 of that Act, the Minister of Revenue shall, under Part I of the Taxation Act, make any assessments of the taxpayer's tax, interest and penalties as are necessary for any taxation year to give effect to subsections 1 and 2 in respect of that election. Sections 93.1.8 and 93.1.12 of the Tax Administration Act (chapter A-6.002) apply to such assessments, with the necessary modifications.

(4) Chapter V.2 of Title II of Book I of Part I of the Taxation Act applies in relation to an election referred to in subsection 3. For the purposes of section 21.4.7 of the Act in respect of such an election, a taxpayer is deemed to have complied with a requirement of section 21.4.6 of the Act if the taxpayer complies with it on or before 1 June 2016.

25. (1) The Act is amended by inserting the following section after section 587.1, enacted by section 193 of chapter 21 of the statutes of 2015:

"**587.2.** A foreign affiliate of a corporation resident in Canada or a partnership of which such a foreign affiliate is a member is required to add, in computing the adjusted cost base to the foreign affiliate or partnership of a share of the capital stock of another foreign affiliate of the corporation, the amount required by subsection 1.1 of section 92 of the Income Tax Act (Revised Statutes of Canada, 1985, chapter 1, 5th Supplement) to be so added in that computation for the purposes of that Act."

(2) Subsection 1 has effect from 19 December 2009.

(3) Despite sections 1010 to 1011 of the Act, where a taxpayer has made a valid election under paragraph *b* of section 53 of the Technical Tax Amendments Act, 2012 (Statutes of Canada, 2013, chapter 34) in relation to section 31 of that Act, the Minister of Revenue shall, under Part I of the Taxation Act, make any assessments of the taxpayer's tax, interest and penalties as are necessary for any taxation year to give effect to subsections 1 and 2. Sections 93.1.8 and 93.1.12 of the Tax Administration Act (chapter A-6.002) apply to such assessments, with the necessary modifications.

(4) Chapter V.2 of Title II of Book I of Part I of the Taxation Act applies in relation to an election referred to in subsection 3. For the purposes of section 21.4.7 of the Act in respect of such an election, a taxpayer is deemed to have complied with a requirement of section 21.4.6 of the Act if the taxpayer complies with it on or before 1 June 2016.

26. (1) Section 589.2 of the Act is amended by replacing subparagraph *b* of the second paragraph by the following subparagraph:

"(*b*) where section 589.3 applies, the amount prescribed by regulation for the purposes of subparagraph ii of paragraph *a* of subsection 1.2 of section 93 of the Income Tax Act."

(2) Subsection 1 applies in respect of a disposition that occurs after 30 November 1999.

(3) Despite sections 1010 to 1011 of the Act, where a taxpayer has made a valid election under paragraph *b* of section 53 of the Technical Tax Amendments Act, 2012 (Statutes of Canada, 2013, chapter 34) in relation to section 32 of that Act, the Minister of Revenue shall, under Part I of the Taxation Act, make any assessments of the taxpayer's tax, interest and penalties as are necessary

for any taxation year to give effect to subsections 1 and 2. Sections 93.1.8 and 93.1.12 of the Tax Administration Act (chapter A-6.002) apply to such assessments, with the necessary modifications.

(4) Chapter V.2 of Title II of Book I of Part I of the Taxation Act applies in relation to an election referred to in subsection 3. For the purposes of section 21.4.7 of the Act in respect of such an election, a taxpayer is deemed to have complied with a requirement of section 21.4.6 of the Act if the taxpayer complies with it on or before 1 June 2016.

27. (1) Section 592 of the Act, amended by section 204 of chapter 21 of the statutes of 2015, is again amended by adding the following paragraph after paragraph *b*:

"(*c*) a foreign affiliate of a corporation resident in Canada is deemed to have received from another foreign affiliate of the corporation an amount equal to the amount that is described in paragraph *c* of subsection 3 of section 93 of the Income Tax Act (Revised Statutes of Canada, 1985, chapter 1, 5th Supplement), at the time referred to in that paragraph and for the same purposes."

(2) Subsection 1 has effect from 19 December 2009.

(3) Despite sections 1010 to 1011 of the Act, where a taxpayer has made a valid election under paragraph *b* of section 53 of the Technical Tax Amendments Act, 2012 (Statutes of Canada, 2013, chapter 34) in relation to section 32 of that Act, the Minister of Revenue shall, under Part I of the Taxation Act, make any assessments of the taxpayer's tax, interest and penalties as are necessary for any taxation year to give effect to subsections 1 and 2. Sections 93.1.8 and 93.1.12 of the Tax Administration Act (chapter A-6.002) apply to such assessments, with the necessary modifications.

(4) Chapter V.2 of Title II of Book I of Part I of the Taxation Act applies in relation to an election referred to in subsection 3. For the purposes of section 21.4.7 of the Act in respect of such an election, a taxpayer is deemed to have complied with a requirement of section 21.4.6 of the Act if the taxpayer complies with it on or before 1 June 2016.

28. (1) Sections 593 to 597 of the Act are replaced by the following sections:

"**593.** In this chapter and Chapter VI.2,

"arm's length transfer" at any time by a person or partnership (in this definition referred to as the "transferor") means a transfer or loan (which transfer or loan is referred to in this definition as the "transfer") of property (other than restricted property) that is made at that time (in this definition referred to as the "transfer time") by the transferor to another person or partnership (in this definition referred to as the "recipient") where

(*a*) it is reasonable to conclude that none of the reasons (with reference to all the circumstances including the terms of a trust, an intention, the laws of a country or the existence of an agreement, a memorandum, a letter of wishes or any other arrangement) for the transfer is the acquisition at any time by any person or partnership of an interest as a beneficiary under a trust that is not resident in Canada; and

(*b*) the transfer is

i. a payment of interest, of dividends, of rent, of royalties or of any other return on investment, or any substitute for such a return on investment, in respect of a particular property held by the recipient, if the amount of the payment is not more than the amount that the transferor would have paid if the transferor dealt at arm's length with the recipient,

ii. a payment made by a corporation on a reduction of the paid-up capital in respect of shares of a class of its capital stock held by the recipient, if the amount of the payment is not more than the lesser of the amount of the reduction in the paid-up capital and the consideration for which the shares were issued,

iii. a transfer in exchange for which the recipient transfers or loans property to the transferor, or becomes obligated to transfer or loan property to the transferor, and for which it is reasonable to conclude

(1) having regard only to the transfer and the exchange, that the transferor would have been willing to make the transfer if the transferor dealt at arm's length with the recipient, and

(2) that the terms and conditions, and circumstances, under which the transfer was made would have been acceptable to the transferor if the transferor dealt at arm's length with the recipient,

iv. a transfer made in satisfaction of an obligation referred to in subparagraph iii and for which it is reasonable to conclude

(1) having regard only to the transfer and the obligation, that the transferor would have been willing to make the transfer if the transferor dealt at arm's length with the recipient, and

(2) that the terms and conditions, and circumstances, under which the transfer was made would have been acceptable to the transferor if the transferor dealt at arm's length with the recipient,

v. a payment of an amount owing by the transferor under a written agreement the terms and conditions of which, when entered into, were terms and conditions that, having regard only to the amount owing and the agreement, would have been acceptable to the transferor if the transferor dealt at arm's length with the recipient,

vi. a payment made before 1 January 2002 to a trust, to a corporation controlled by a trust or to a partnership of which a trust is a majority-interest partner in repayment of or otherwise in respect of a loan made by a trust, corporation or partnership to the transferor, or

vii. a payment made after 31 December 2001 to a trust, to a corporation controlled by the trust or to a partnership of which the trust is a majority-interest partner, in repayment of or otherwise in respect of a particular loan made by the trust, corporation or partnership to the transferor and either

(1) the payment is made before 1 January 2011 and they would have been willing to enter into the particular loan if they dealt at arm's length with each other, or

(2) the payment is made before 1 January 2005 in accordance with fixed repayment terms agreed to before 23 June 2000;

"beneficiary" under a trust includes

(*a*) a person or partnership that is beneficially interested in the trust; and

(*b*) a person or partnership that would be beneficially interested in the trust if subparagraph ii of subparagraph *b* of the first paragraph of section 7.11.1 were read as follows:

"ii. because of the terms or conditions of the particular trust or any agreement in respect of the particular trust at the particular time (including the terms or conditions of a share, or any agreement in respect of a share, of the capital stock of a corporation that is beneficially interested in the particular trust), the particular person or partnership becomes (or could become on the exercise of any discretion by any person or partnership), directly or indirectly, entitled to any amount derived, directly or indirectly, from the income or capital of the particular trust or might, because of the exercise of any discretion by any person or partnership, become beneficially interested in the particular trust at the particular time or at a later time, and";

"closely held corporation" at any time means any corporation, other than a corporation in respect of which

(*a*) there is at least one class of shares of its capital stock that consists of shares prescribed for the purposes of paragraph *d* of subsection 1 of section 110 of the Income Tax Act (Revised Statutes of Canada, 1985, chapter 1, 5th Supplement);

(*b*) it is reasonable to conclude that at that time, in respect of each class of shares described in paragraph *a*, shares of the class are held by at least 150 shareholders each of whom holds shares of the class that have a total fair market value of at least $500; and

(*c*) it is reasonable to conclude that at that time in no case does a particular shareholder (or a particular shareholder together with one or more other shareholders with whom the particular shareholder does not deal at arm's length) hold shares of the corporation

i. that would give the particular shareholder (or the group of other shareholders not dealing with each other at arm's length and of which the particular shareholder is a member) 10% or more of the votes that could be cast under any circumstance at an annual meeting of shareholders of the corporation if the meeting were held at that time, or

ii. that have a fair market value of 10% or more of the fair market value of all of the issued and outstanding shares of the corporation;

"connected contributor" to a trust at any time means a contributor to the trust at that time, other than a person all of whose contributions to the trust made at or before that time were made at a non-resident time of the person;

"contribution" to a trust by a particular person or partnership means

(*a*) a transfer or loan (other than an arm's length transfer) of property to the trust by the particular person or partnership;

(*b*) where a particular transfer or loan (other than an arm's length transfer) of property is made by the particular person or partnership as part of a series of transactions that includes another transfer or loan (other than an arm's length transfer) of property to the trust by another person or partnership, that other transfer or loan to the extent that it can reasonably be considered to have been made in respect of the particular transfer or loan; or

(*c*) where the particular person or partnership undertakes to make a transfer or loan (other than a transfer or loan that would, if it were made, be an arm's length transfer) of property as part of a series of transactions that includes another transfer or loan (other than an arm's length transfer) of property to the trust by another person or partnership, that other transfer or loan to the extent that it can reasonably be considered to have been made in respect of the undertaking;

"contributor" to a trust at any time means a person, including a person that has ceased to exist, that is not an exempt person and that, at or before that time, has made a contribution to the trust;

"electing contributor" to a trust at any time means a resident contributor, to the trust, who has made a valid election under the definition of "electing contributor" in subsection 1 of section 94 of the Income Tax Act to have subsection 16 of that section 94 apply in respect of the contributor and the trust for a taxation year of the contributor that includes that time or that ends before that time and for any subsequent taxation year;

"electing trust" in respect of a particular taxation year means a trust that

(*a*) holds at any time in the particular taxation year, or in a prior taxation year throughout which it was deemed, for the purpose of computing its income, to be resident in Canada under paragraph *a* of section 595, property that is at that time included in its non-resident portion; and

(*b*) has made a valid election under paragraph *b* of the definition of "electing trust" in subsection 1 of section 94 of the Income Tax Act;

"exempt foreign trust" at a particular time means either a prescribed trust at the particular time or a trust that is not resident in Canada and that

(*a*) is a trust in respect of which the following conditions are met:

i. each beneficiary under the trust at the particular time is

(1) an individual (in this paragraph referred to as an "infirm beneficiary") who, because of mental or physical infirmity, was, at the time that the trust was created, dependent on an individual who is a contributor to the trust or on an individual related to such a contributor, or

(2) a person who is entitled, only after the particular time, to receive or otherwise obtain the enjoyment of all or part of the trust's income or capital,

ii. at the particular time there is at least one infirm beneficiary under the trust who suffers from a mental or physical infirmity that causes the beneficiary to be dependent on a person,

iii. each infirm beneficiary is, at all times that the infirm beneficiary is a beneficiary under the trust during the trust's taxation year that includes the particular time, not resident in Canada, and

iv. each contribution to the trust made at or before the particular time can reasonably be considered to have been, at the time that the contribution was made, made to provide for the maintenance of an infirm beneficiary during the expected period of the beneficiary's infirmity;

(*b*) is a trust in respect of which the following conditions are met:

i. the trust was created because of the breakdown of a marriage of two particular individuals to provide for the maintenance of a beneficiary under the trust who was, during that marriage,

(1) a child of both of those particular individuals (in this paragraph referred to as a "child beneficiary"), or

(2) one of those particular individuals (in this paragraph referred to as the "adult beneficiary"),

ii. each beneficiary under the trust at the particular time is

(1) a child beneficiary under 21 years of age,

(2) a child beneficiary under 31 years of age who is enrolled at any time in the trust's taxation year that includes the particular time at an educational institution that is described in the third paragraph,

(3) the adult beneficiary, or

(4) a person who is entitled, only after the particular time, to receive or otherwise obtain the enjoyment of all or part of the trust's income or capital,

iii. each beneficiary described in any of subparagraphs 1 to 3 of subparagraph ii is, at all times that the beneficiary is a beneficiary under the trust during the trust's taxation year that includes the particular time, not resident in Canada, and

iv. each contribution to the trust, at the time that the contribution was made, was

(1) an amount paid by the particular individual other than the adult beneficiary that would be a support amount as defined in section 312.3 if it had been paid by that particular individual directly to the adult beneficiary, or

(2) a contribution made by one of those particular individuals or a person related to one of those particular individuals to provide for the maintenance of a child beneficiary while the child was either under 21 years of age or under 31 years of age and enrolled at an educational institution located outside Canada that is described in the third paragraph;

(*c*) is a trust in respect of which one of the following conditions is met:

i. at the particular time the trust is an agency of the United Nations,

ii. at the particular time the trust owns and administers a university described in subparagraph iv of paragraph *a* of the definition of "qualified donee" in subsection 1 of section 149.1 of the Income Tax Act,

iii. at any time in the trust's taxation year that includes the particular time or at any time in the preceding calendar year Her Majesty in right of Canada has made a gift to the trust, or

iv. the trust is created under the International Convention on the Establishment of an International Fund for Compensation for Oil Pollution Damage, 1992, or any protocol to it that has been ratified by the Government of Canada;

(*d*) is a trust in respect of which the following conditions are met:

i. throughout the particular period that began at the time the trust was created and ended at the particular time, the trust would not be resident in Canada for the purposes of the Income Tax Act if that Act were read without reference to

subsection 1 of section 94 of that Act as that subsection read in its application to a taxation year that includes 31 December 2000,

ii. the trust was created exclusively for charitable purposes and has been operated throughout the particular period described in subparagraph i exclusively for charitable purposes,

iii. if the particular time is more than 24 months after the day on which the trust was created, the trust numbers at the particular time at least 20 persons (other than trusts) each of whom at that time

(1) is a contributor to the trust,

(2) exists, and

(3) deals at arm's length with at least 19 other contributors to the trust,

iv. the income of the trust (determined in accordance with the laws described in subparagraph v) for each of its taxation years that ends at or before the particular time would, if the income were not distributed and the laws described in subparagraph v did not apply, be subject to an income or profits tax in the country in which it was resident in the taxation year under consideration, and

v. the trust was, for each of its taxation years that ends at or before the particular time, exempt under the laws of the country in which it was resident from the payment of income or profits tax to the government of that country in recognition of the charitable purposes for which the trust is operated;

(*e*) is governed throughout the trust's taxation year that includes the particular time by a profit sharing plan, a retirement compensation arrangement or a foreign retirement arrangement;

(*f*) is a trust that

i. throughout the particular period that began when it was created and ended at the particular time has been operated exclusively for the purpose of administering or providing employee benefits in respect of employees or former employees, and

ii. meets the following conditions throughout the trust's taxation year that includes the particular time:

(1) the trust is a trust governed by an employee benefit plan or is a trust described in subparagraph *a*.1 of the third paragraph of section 647,

(2) the trust is maintained for the benefit of natural persons the majority of whom are not resident in Canada, and

(3) no benefits are provided under the trust other than benefits in respect of qualifying services;

(*g*) is a trust (other than a trust described in subparagraph *a*.1 of the third paragraph of section 647 or a prescribed trust) that throughout the particular period that began when it was created and ended at the particular time

i. has been resident in a foreign country the laws of which have, throughout the particular period,

(1) imposed an income or profits tax, and

(2) exempted the trust from the payment of all income tax, and all profits tax, to the government of that country in recognition of the purposes for which the trust is operated, and

ii. has been operated exclusively for the purpose of administering or providing pension benefits that are primarily in respect of services rendered in the foreign country by natural persons who were not resident in Canada at the time those services were rendered; or

(*h*) is a trust (other than a trust that has made a valid election, described in paragraph *h* of the definition of "exempt foreign trust" in subsection 1 of section 94 of the Income Tax Act, not to be an exempt foreign trust under that paragraph *h* for the taxation year for which the election is made and for any subsequent taxation year) in respect of which the following conditions are met at the particular time:

i. the only beneficiaries under the trust who for any reason are entitled to receive, at or after the particular time and directly from the trust, an amount from the income or capital of the trust are beneficiaries that hold fixed interests in the trust, and

ii. any of the following requirements are complied with:

(1) there are at least 150 beneficiaries among those described in subparagraph i under the trust each of whose fixed interests in the trust have at the particular time a total fair market value of at least $500,

(2) all fixed interests in the trust are listed on a designated stock exchange and in the 30 days immediately preceding the particular time fixed interests in the trust were traded on a designated stock exchange on at least 10 days,

(3) each outstanding fixed interest in the trust was issued by the trust for consideration that was not less than 90% of the interest's proportionate share of the net asset value of the trust's property at the time of its issuance, or was acquired for consideration equal to the fair market value of the interest at the time of its acquisition, or

(4) the trust is governed by a Roth IRA, within the meaning of section 408A of the United States Internal Revenue Code of 1986, as amended from time to time, or by a plan or arrangement created after 21 September 2007 that is subject to that Code and that is described in subclause II of clause D of

subparagraph ii of paragraph *h* of the definition of "exempt foreign trust" in subsection 1 of section 94 of the Income Tax Act, unless the Minister decides otherwise;

"exempt person" at any time means

(*a*) the State, Her Majesty in right of Canada or Her Majesty in right of a province, other than Québec;

(*b*) a person whose taxable income for the taxation year that includes that time is exempt from tax under this Part in accordance with Book VIII;

(*c*) a trust resident in Canada or a Canadian corporation

i. that was established by or arises under a law of Canada or of a province, and

ii. the principal activities of which at that time are to administer, manage or invest the monies of one or more superannuation or pension funds or plans established under a law of Canada or of a province;

(*d*) a trust or corporation established by or arising under a law of Canada or of a province in connection with a scheme or program for the compensation of workers injured in an accident arising out of or in the course of their employment;

(*e*) a trust resident in Canada all the beneficiaries under which are at that time exempt persons;

(*f*) a Canadian corporation all the shares, or rights to shares, of which are held at that time by exempt persons;

(*g*) a Canadian corporation without share capital all the property of which is held at that time exclusively for the benefit of exempt persons;

(*h*) a partnership all the members of which are at that time exempt persons; and

(*i*) a trust or corporation that is at that time a mutual fund;

"exempt service" means a service rendered at any time by a person or partnership (in this definition referred to as the "service provider") to, for or on behalf of, another person or partnership (in this definition referred to as the "recipient") where

(*a*) the recipient is a trust and the service relates to the administration of the trust; or

(*b*) the following conditions are met in respect of the service:

i. the service is rendered in the service provider's capacity at that time as an employee or agent of the recipient,

ii. in exchange for the service, the recipient transfers or loans property or undertakes to transfer or loan property, and

iii. it is reasonable to conclude

(1) having regard only to the service and the exchange, that the service provider would be willing to provide the service if the service provider were dealing at arm's length with the recipient, and

(2) that the terms, conditions and circumstances under which the service is provided would be acceptable to the service provider if the service provider were dealing at arm's length with the recipient;

"fixed interest" at any time of a person or partnership in a trust means an interest of the person or partnership as a beneficiary (in this definition, determined without reference to section 7.11.1) under the trust provided that no amount of the income or capital of the trust to be distributed at any time in respect of any interest in the trust depends on the exercise by any person or partnership of, or the failure by any person or partnership to exercise, any discretionary power, other than a discretionary power in respect of which it is reasonable to conclude that

(*a*) the power is consistent with normal commercial practice;

(*b*) the power is consistent with terms that would be acceptable to the beneficiaries under the trust if the beneficiaries were dealing with each other at arm's length; and

(*c*) the exercise of, or failure to exercise, the power will not materially affect the value of an interest as a beneficiary under the trust relative to the value of other such interests under the trust;

"joint contributor" at any time in respect of a contribution to a trust means, if more than one contributor has made the contribution, each of those contributors that is at that time a resident contributor to the trust;

"mutual fund" at any time means a mutual fund corporation or mutual fund trust (in this definition referred to as the "fund"), but does not include a fund in respect of which statements or representations have been made at or before that time—by the fund, or by a promoter or other representative of the fund, in respect of the acquisition or offering of an interest in the fund—that the taxes under this Act on the income, profit or gains for any taxation year—in respect of property that is held by the fund and that is, or derives its value from, an interest in a trust—are less than, or are expected to be less than, the tax that would have been applicable under this Act if the income, profits or gains from the property had been earned directly by a person who acquires an interest in the fund;

"non-resident portion" of a trust at any time means all property held by the trust to the extent that it is not at that time part of the resident portion of the trust;

"non-resident time" of a person in respect of a contribution to a trust and a particular time means a time (in this definition referred to as the "contribution time") at which the person made a contribution to a trust that is before the particular time and at which the person was not resident in Canada (or, if the person was not in existence at the contribution time, the person was not resident in Canada at any time in the 18 months before ceasing to exist), if the person was not resident in Canada or not in existence at any time in the period that began 60 months before the contribution time (or, if the person is an individual and the trust arose on and as a consequence of the death of the individual, 18 months before the contribution time) and ends at the earlier of

(*a*) the time that is 60 months after the contribution time; and

(*b*) the particular time;

"promoter" in respect of a trust or corporation at any time means

(*a*) a person or partnership that at or before that time establishes, organizes or substantially reorganizes the undertakings of the trust or corporation, as the case may be; and

(*b*) for the purposes of the definition of "mutual fund", a person or partnership described in paragraph *a* and a person or partnership who in the course of carrying on a business

i. issues or sells, or promotes the issuance, sale or acquisition of, an interest in a mutual fund corporation or mutual fund trust,

ii. acts as an agent or advisor in respect of the issuance or sale, or the promotion of the issuance, sale or acquisition of, an interest in a mutual fund corporation or mutual fund trust, or

iii. accepts, whether as a principal or agent, consideration in respect of an interest in a mutual fund corporation or mutual fund trust;

"qualifying services" means

(*a*) services that are rendered to an employer by an employee of the employer, provided that the employee was not resident in Canada at any time in the period during which the services were rendered;

(*b*) services that are rendered to an employer by an employee of the employer, other than

i. services that were rendered primarily in Canada,

ii. services that were rendered primarily in connection with a business carried on by the employer in Canada, or

iii. any combination of services described in subparagraphs i and ii;

(*c*) services that are rendered in a particular month to an employer by an employee of the employer, provided that the employee

i. was resident in Canada throughout no more than 60 months during the 72-month period that ended at the end of the particular month, and

ii. became a member of, or a beneficiary under, the plan or trust under which benefits in respect of the services may be provided (or a similar plan or trust for which the plan or the trust was substituted) before the end of the month following the month in which the employee became resident in Canada; or

(*d*) any combination of services that are qualifying services because of any of paragraphs *a* to *c*;

"resident beneficiary" under a trust at any time means a person that is, at that time, a beneficiary under the trust other than a successor beneficiary under the trust or an exempt person, if, at that time,

(*a*) the person is resident in Canada; and

(*b*) there is a connected contributor to the trust;

"resident contributor" to a trust at any time means a person that is, at that time, resident in Canada and a contributor to the trust, but—if the trust was created before 1 January 1960 by a person who was not resident in Canada when the trust was created—does not include an individual (other than a trust) who has not, after 31 December 1959, made a contribution to the trust;

"resident portion" of a trust at a particular time means all of the trust's property that is

(*a*) property in respect of which a contribution has been made at or before the particular time to the trust by a contributor that is at the particular time a resident contributor, or if there is at the particular time a resident beneficiary under the trust a connected contributor, to the trust and, for the purposes of this paragraph, the following rules apply:

i. if property is held by a contributor in common or in partnership immediately before the property is contributed to the trust, it is contributed by the contributor only to the extent that the contributor so held the property, and

ii. if the contribution to the trust is a transfer described in any of paragraphs *a*, *c*, *e* and *g* of section 594, the property in respect of which the contribution has been made is deemed to be

(1) in respect of a transfer under paragraph *a* of section 594 to which subparagraph 1 of subparagraph ii of that paragraph *a* applies, property the fair market value of which has increased because of a transfer or loan described in subparagraph i of that paragraph *a*, or, in respect of such a transfer to which subparagraph 2 of subparagraph ii of that paragraph *a* applies, property in respect of which a valid election under subclause II of clause A of subparagraph ii of paragraph *a* of the definition of "resident portion" in subsection 1 of section 94 of the Income Tax Act has been made,

(2) in respect of a transfer under paragraph *c* of section 594, property described in subparagraph ii of that paragraph *c*,

(3) in respect of a transfer under paragraph *e* of section 594, property acquired as a result of any undertaking including a guarantee, covenant or agreement given by a person or partnership other than the trust to ensure the repayment, in whole or in part, of a loan or other indebtedness incurred by the trust in accordance with that paragraph *e*, and

(4) in respect of a transfer under paragraph *g* of section 594, property in respect of which a valid election under clause D of subparagraph ii of paragraph *a* of the definition of "resident portion" in subsection 1 of section 94 of the Income Tax Act has been made;

(*b*) property that is acquired, at or before the particular time, by way of indebtedness incurred by the trust (in this paragraph referred to as the "subject property"), if

i. all or part of the indebtedness is secured on property (other than the subject property) that is held in the trust's resident portion,

ii. it was reasonable to conclude, at the time that the indebtedness was incurred, that the indebtedness would be repaid with recourse to any property (other than the subject property) held at any time in the trust's resident portion, or

iii. a person resident in Canada or partnership of which a person resident in Canada is a member is obligated, either absolutely or contingently, to effect any undertaking including any guarantee, covenant or agreement given to ensure the repayment, in whole or in part, of the indebtedness, or provided any other financial assistance in respect of the indebtedness;

(*c*) property to the extent that it is derived, directly or indirectly, in any manner whatever, from property described in any of paragraphs *a*, *b* and *d*, and, without limiting the generality of the foregoing, including property derived from the income (computed without reference to subparagraph *f* of the first paragraph of section 597.0.14, paragraphs *a* and *b* of section 657 and section 657.1) of the trust for a taxation year of the trust that ends at or before the particular time and property in respect of which an amount would be described at the particular time in respect of the trust in the definition of "capital

dividend account" in subsection 1 of section 89 of the Income Tax Act if the trust were at that time a corporation; and

(*d*) property that is at the particular time substituted for property described in any of paragraphs *a* to *c*;

"restricted property" of a person or partnership means property that the person or partnership holds and that

(*a*) is a share (or a right to acquire a share) of the capital stock of a closely held corporation if the share or right, or property for which the share or right was substituted, was at any time acquired by the person or partnership as part of a transaction or series of transactions under which

i. a specified share of the capital stock of a closely held corporation was acquired by any person or partnership in exchange for or as consideration for the disposition of any property or upon the conversion of any property and the cost of the specified share to the person who acquired it was less than the fair market value of the specified share at the time of the acquisition, or

ii. a share (other than a specified share) of the capital stock of a closely held corporation becomes a specified share of the capital stock of the corporation;

(*b*) is an indebtedness or other obligation, or a right to acquire an indebtedness or other obligation, of a closely held corporation if

i. the indebtedness, obligation or right, or property for which the indebtedness, obligation or right was substituted, became property of the person or partnership as part of a transaction or series of transactions under which

(1) a specified share of the capital stock of a closely held corporation was acquired by any person or partnership in exchange for or as consideration for the disposition of any property or upon the conversion of any property and the cost of the specified share to the person who acquired it was less than the fair market value of the specified share at the time of the acquisition, or

(2) a share (other than a specified share) of the capital stock of a closely held corporation becomes a specified share of the capital stock of the corporation, and

ii. the amount of any payment under the indebtedness, obligation or right (whether the right to the amount is immediate or future, absolute or contingent or conditional on or subject to the exercise of a discretionary power by any person or partnership) is, directly or indirectly, determined primarily by one or more of the following criteria:

(1) the fair market value of, production from or use of any of the property of the closely held corporation,

(2) gains and profits from the disposition of any of the property of the closely held corporation,

(3) income, profits, revenue and cash flow of the closely held corporation, or

(4) any other criterion similar to a criterion referred to in any of subparagraphs 1 to 3; or

(*c*) is property

i. that the person or partnership acquired as part of a series of transactions described in paragraph *a* or *b* in respect of another property, and

ii. the fair market value of which is derived in whole or in part, directly or indirectly, from the other property referred to in subparagraph i;

"specified party" in respect of a particular person at any time means

(*a*) the particular person's spouse at that time;

(*b*) a corporation that at that time

i. is a controlled foreign affiliate of the particular person or the particular person's spouse, or

ii. would be a controlled foreign affiliate of a partnership, of which the particular person is a majority-interest partner, if the partnership were a person resident in Canada at that time;

(*c*) a person, or a partnership of which the particular person is a majority-interest partner, for which it is reasonable to conclude that the benefit referred to in subparagraph iv of subparagraph *a* of the first paragraph of section 597.0.5 was conferred

i. in anticipation of the person becoming after that time a corporation described in paragraph *b*, or

ii. to avoid or minimize a liability that arose, or that would otherwise have arisen, under this Act with respect to the particular person; or

(*d*) a corporation in which the particular person, or partnership of which the particular person is a majority-interest partner, is a shareholder if

i. the corporation is at or before that time a beneficiary under a trust, and

ii. the particular person or the partnership is a beneficiary under the trust solely because of the application of paragraph *b* of the definition of "beneficiary" in respect of the particular person or the partnership and in relation to the corporation;

"specified share" means a share of the capital stock of a corporation other than a share that is a prescribed share for the purposes of paragraph *d* of subsection 1 of section 110 of the Income Tax Act;

"specified time" in respect of a trust for a taxation year of the trust means

(*a*) if the trust exists at the end of the taxation year, the time that is the end of that taxation year; and

(*b*) in any other case, the time in that taxation year that is immediately before the time at which the trust ceases to exist;

"successor beneficiary" at a particular time under a trust means a person that is a beneficiary under the trust solely because of a right of the person to receive all or part of the trust's income or capital, provided that under that right the person may receive that income or capital only on or after the death after the particular time of an individual who, at the particular time, is alive and

(*a*) is a contributor to the trust;

(*b*) is related to (including, for the purposes of this paragraph and paragraph *c*, an uncle, aunt, niece or nephew of) a contributor to the trust; or

(*c*) would have been related to a contributor to the trust if every individual who was alive before the particular time were alive at that time;

"tax-liable taxpayer" in respect of a trust at a particular time in a taxation year means

(*a*) in the case of a taxpayer who is, at the particular time, either a resident contributor to the trust, a resident beneficiary under the trust or an electing contributor under the trust, or a joint contributor in respect of a contribution to the trust, a person (other than a corporation) who is resident in Québec at the end of the taxation year or a corporation that has an establishment in Québec in the taxation year; or

(*b*) in the case of a taxpayer who is, at the particular time, a connected contributor to the trust, a person (other than a corporation) who was resident in Québec at a time that is before the particular time and at which the person made a contribution to the trust, or a corporation that had an establishment in Québec at a time that is before the particular time and at which the corporation made a contribution to the trust;

"transaction" includes an arrangement or event.

In this chapter, "trust" includes, for greater certainty, a succession.

An educational institution referred to in subparagraph 2 of subparagraph ii of paragraph *b* of the definition of "exempt foreign trust" in the first paragraph

and in subparagraph 2 of subparagraph iv of that paragraph *b* is an educational institution located outside Canada that

(*a*) is a university, college or any other institution that provides courses at a post-secondary school level; or

(*b*) provides courses designed to furnish a person with skills for, or improve a person's skills in, an occupation.

Chapter V.2 of Title II of Book I applies in relation to an election made under the definition of "electing contributor", "electing trust", "exempt foreign trust" and "resident portion" in subsection 1 of section 94 of the Income Tax Act or in relation to an election made before 20 December 2006 under paragraph *h* of the definition of "exempt foreign trust" in the first paragraph.

"**594.** For the purposes of this chapter and Chapter VI.2, the following rules apply:

(*a*) a person or partnership is deemed to have transferred, at any time, property to a trust if

i. at that time the person or partnership transfers or loans property to another person or partnership and the transfer or loan is not an arm's length transfer, and

ii. because of that transfer or loan

(1) the fair market value of one or more properties held by the trust increases at that time, or

(2) a liability or potential liability of the trust decreases at that time;

(*b*) the fair market value, at any time, of property deemed under paragraph *a* to be transferred at that time by a person or partnership is deemed to be equal to the amount of the absolute value of the increase or decrease referred to in subparagraph ii of paragraph *a* in respect of the property, and if that time is after 27 August 2010 and the property that the person or partnership transfers or loans at that time is restricted property of the person or partnership, the property deemed under paragraph *a* to be transferred at that time to a trust is deemed to be restricted property transferred at that time to the trust;

(*c*) a person or partnership is deemed to have transferred, at any time, property to a trust if

i. at that time the person or partnership transfers restricted property, or loans property other than by way of an arm's length transfer, to another person (in this paragraph and paragraph *d* referred to as the "intermediary"),

ii. at or after that time, the trust holds property (other than property described in subparagraph *b* of the first paragraph of section 597.0.12) the fair market value of which is derived in whole or in part, directly or indirectly, from property held by the intermediary, and

iii. it is reasonable to conclude that one of the reasons the transfer or loan is made is to avoid or minimize a liability under this Act;

(*d*) the fair market value, at any time, of property deemed under paragraph *c* to be transferred at that time by a person or partnership is deemed to be equal to the fair market value of the property referred to in subparagraph i of paragraph *c*, and if that time is after 24 October 2012 and the property that the person or partnership transfers or loans to the intermediary is restricted property of the intermediary, the property deemed under paragraph *c* to be transferred at that time by the person or partnership to a trust is deemed to be restricted property transferred at that time to the trust throughout the period in which the intermediary holds the restricted property;

(*e*) where, at any time, a particular person or partnership is obligated, either absolutely or contingently, to effect any undertaking including any guarantee, covenant or agreement given to ensure the repayment, in whole or in part, of a loan or other indebtedness incurred by another person or partnership, or has provided any other financial assistance to another person or partnership,

i. the particular person or partnership is deemed to have transferred, at that time, property to that other person or partnership, and

ii. the property, if any, transferred to the particular person or partnership from the other person or partnership in exchange for the guarantee or other financial assistance is deemed to have been transferred to the particular person or partnership in exchange for the property deemed to have been transferred under subparagraph i;

(*f*) the fair market value at any time of property deemed under subparagraph i of paragraph *e* to have been transferred at that time to another person or partnership is deemed to be equal to the amount at that time of the loan or indebtedness incurred by the other person or partnership to which the property relates;

(*g*) where, at any time after 22 June 2000, a particular person or partnership renders any service (other than an exempt service) to, for or on behalf of another person or partnership,

i. the particular person or partnership is deemed to have transferred, at that time, property to that other person or partnership, and

ii. the property, if any, transferred to the particular person or partnership from the other person or partnership in exchange for the service is deemed to have been transferred to the particular person or partnership in exchange for the property deemed under subparagraph i to have been transferred;

(*h*) each of the following acquisitions of property by a particular person or partnership is deemed to be a transfer of the property, at the time of the acquisition of the property, to the particular person or partnership from the person or partnership from which the property was acquired, namely, the acquisition by the particular person or partnership of

i. a share of a corporation from the corporation,

ii. an interest as a beneficiary under a trust (otherwise than from a beneficiary under the trust),

iii. an interest in a partnership (otherwise than from a member of the partnership),

iv. a debt owing by a person or partnership from the person or partnership, and

v. a right (granted after 22 June 2000 by the person or partnership from which the right was acquired) to acquire or to be loaned property;

(*i*) the fair market value at any time of property deemed under subparagraph i of paragraph *g* to have been transferred at that time is deemed to be equal to the fair market value at that time of the service to which the property relates;

(*j*) where, at any time, a person or partnership that becomes obligated to do an act that would, if done, constitute the transfer or loan of property to another person or partnership, the person or partnership is deemed to have become obligated at that time to transfer or loan, as the case may be, property to that other person or partnership;

(*k*) where a trust acquires property of an individual as a consequence of the death of the individual and the individual was immediately before death resident in Canada, the individual is deemed, in applying at any time the definition of "non-resident time" in the first paragraph of section 593, to have transferred the property to the trust immediately before the individual's death;

(*l*) a transfer or loan of property at any time is deemed to be made at that time jointly by a particular person or partnership and a second person or partnership (in this paragraph referred to as the "specified person") if

i. the particular person or partnership transfers or loans property at that time to another person or partnership,

ii. the transfer or loan is made at the direction, or with the consent, of the specified person, and

iii. it is reasonable to conclude that one of the reasons the transfer or loan is made is to avoid or minimize the liability, of any person or partnership, under this Act that arose, or that would otherwise have arisen, because of the application of this chapter;

(*m*) a transfer or loan of property made at any time after 8 November 2006 is deemed to be made at that time jointly by a particular person or partnership and a second person or partnership (in this paragraph referred to as the "specified person") if

i. the particular person or partnership transfers or loans property at that time to another person or partnership, and

ii. a purpose or effect of the transfer or loan may reasonably be considered to be to provide benefits in respect of services rendered by a person as an employee of the specified person (whether or not such a benefit may be received under a right that is immediate or future, absolute or contingent, or conditional on or subject to the exercise of any discretionary power by any person or partnership);

(*n*) a transfer or loan of property at a particular time is deemed to be made at the particular time jointly by a corporation and a person or partnership (in this paragraph referred to as the "specified person") if

i. the corporation transfers or loans property at the particular time to another person or partnership,

ii. the transfer or loan is made at the direction, or with the consent, of the specified person,

iii. the particular time is not, or would not be if the transfer or loan were a contribution of the specified person,

(1) a non-resident time of the specified person, or

(2) if the specified person is a partnership, a non-resident time of one or more members of the partnership, and

iv. the corporation is, at the particular time, a controlled foreign affiliate of the specified person, or would at that time be a controlled foreign affiliate of the specified person if the specified person were at the particular time resident in Canada, or it is reasonable to conclude that the transfer or loan was made in contemplation of the corporation becoming after the particular time such a controlled foreign affiliate of the specified person;

(*o*) a particular person or partnership is deemed to have transferred, at a particular time, particular property or a particular part of it, as the case may be, to a corporation described in subparagraph i or a second person or partnership described in subparagraph ii if

i. the particular property is a share of the capital stock of a corporation held at the particular time by the particular person or partnership, and as consideration for the disposition at or before the particular time of the share, the particular person or partnership received at the particular time (or became entitled at the

particular time to receive) from the corporation a share of the capital stock of the corporation, or

ii. the particular property (or property for which the particular property is substituted) was acquired, before the particular time, from the second person or partnership by any person or partnership, in circumstances that are described in any of subparagraphs i to v of paragraph *h* (or would be so described if it applied at the time of that acquisition) and at the particular time,

(1) the terms or conditions of the particular property change,

(2) the second person or partnership redeems, acquires or cancels the particular property or the particular part of it,

(3) if the particular property is a debt owing by the second person or partnership, the debt or the particular part of it is settled or cancelled, or

(4) if the particular property is a right to acquire or to be loaned property, the particular person or partnership exercises the right;

(*p*) a contribution made at any time by a particular trust to another trust is deemed to be made at that time jointly by the particular trust and by each person or partnership that is at that time a contributor to the particular trust;

(*q*) a contribution made at any time by a particular partnership to a trust is deemed to be made at that time jointly by the particular partnership and by each person or partnership that is at that time a member of the particular partnership;

(*r*) subject to paragraph *s* and section 597.0.7, the amount of a contribution to a trust at the time it was made is deemed to be equal to the fair market value, at that time, of the property that was the subject of the contribution;

(*s*) a person or partnership that at any time acquires a fixed interest in a trust (or a right, issued by the trust, to acquire a fixed interest in the trust) from another person or partnership (other than from the trust that issued the interest or the right) is deemed to have made at that time a contribution to the trust and the amount of the contribution is deemed to be equal to the fair market value at that time of the interest or right, as the case may be;

(*t*) a particular person or partnership that has acquired a fixed interest in a trust because of making a contribution to the trust—or that has made a contribution to the trust because of having acquired a fixed interest in the trust or a right described in paragraph *s*—is, for the purpose of applying this chapter from the time after the time that the particular person or partnership transfers the fixed interest or the right, as the case may be, to another person or partnership (which transfer is referred to in this paragraph as the "sale"), deemed not to have made the contribution in respect of the fixed interest, or right, that is the subject of the sale if

i. in exchange for the sale, the other person or partnership transfers or loans, or undertakes to transfer or loan, property (in subparagraph ii referred to as the "consideration") to the particular person or partnership, and

ii. it is reasonable to conclude

(1) having regard only to the sale and the consideration that the particular person or partnership would be willing to make the sale if the particular person or partnership were dealing at arm's length with the other person or partnership, and

(2) that the terms and conditions made or imposed in respect of the exchange would be acceptable to the particular person or partnership if the particular person or partnership were dealing at arm's length with the other person or partnership;

(*u*) a transfer to a trust by a particular person or partnership is deemed not to be, at a particular time, a contribution to the trust if

i. the particular person or partnership has transferred, at or before the particular time and in the ordinary course of business of the particular person or partnership, property to the trust,

ii. the transfer is not an arm's length transfer, but would be an arm's length transfer if the definition of "arm's length transfer" in the first paragraph of section 593 were read without reference to paragraph *a* and subparagraphs i, ii and iv to vii of paragraph *b*,

iii. it is reasonable to conclude that the particular person or partnership was the only person or partnership that acquired, in respect of the transfer, an interest as a beneficiary under the trust,

iv. the particular person or partnership was required, in accordance with the securities law of a country or of a political subdivision of such a country in respect of the issuance by the trust of interests as a beneficiary under the trust, to acquire an interest because of the particular person or partnership's status at the time of the transfer as a manager or promoter of the trust,

v. at the particular time the trust is not an exempt foreign trust, but would be at that time an exempt foreign trust if it had not made an election under paragraph *h* of the definition of "exempt foreign trust" in the first paragraph of section 593, and

vi. the particular time is before the earliest of

(1) the first time at which the trust becomes an exempt foreign trust,

(2) the first time at which the particular person or partnership ceases to be a manager or promoter of the trust, and

(3) the time that is 24 months after the first time at which the total fair market value of consideration received by the trust in exchange for interests as a beneficiary (other than the particular person or partnership's interest referred to in subparagraph iii) under the trust is greater than $500,000;

(*v*) a transfer, by a Canadian corporation of property, that is at a particular time a contribution by the Canadian corporation to a trust, is deemed not to be, after the particular time, such a contribution to the trust if

i. the trust acquired the property before the particular time from the Canadian corporation in circumstances described in subparagraph i or iv of paragraph *h*,

ii. as a result of a transfer (in this paragraph referred to as the "sale") at the particular time by any person or partnership (in this paragraph referred to as the "seller") to another person or partnership (in this paragraph referred to as the "buyer") the trust no longer holds any property that is

(1) shares of the capital stock of, or debt issued by, the Canadian corporation, or

(2) property the fair market value of which is derived in whole or in part, directly or indirectly, from shares of the capital stock of, or debt issued by, the Canadian corporation,

iii. the buyer deals at arm's length immediately before the particular time with the Canadian corporation, the trust and the seller,

iv. in exchange for the sale, the buyer transfers or becomes obligated to transfer property (in this paragraph referred to as the "consideration") to the seller, and

v. it is reasonable to conclude

(1) having regard only to the sale and the consideration that the seller would be willing to make the sale if the seller were dealing at arm's length with the buyer,

(2) that the terms and conditions made or imposed in respect of the exchange would be acceptable to the seller if the seller were dealing at arm's length with the buyer, and

(3) that the value of the consideration is not, from the particular time, determined in whole or in part, directly or indirectly, by reference to shares of the capital stock of, or debt issued by, the Canadian corporation;

(*w*) a transfer, before 11 October 2002, to a personal trust by an individual (other than a trust) of particular property is deemed not to be a contribution of the particular property by the individual to the trust if the transfer is deemed not to be a contribution of the particular property by the individual to the trust for the purposes of section 94 of the Income Tax Act (Revised Statutes of

Canada, 1985, chapter 1, 5th Supplement) in accordance with paragraph *u* of subsection 2 of that section 94; and

(*x*) a loan made by a specified financial institution to a trust is deemed not to be a contribution to the trust if

i. the loan is made on terms and conditions that would have been agreed to by persons dealing at arm's length, and

ii. the loan is made by the specified financial institution in the ordinary course of the business carried on by it.

"**595.** Where, but for this section, a trust would not be resident in Canada at a specified time in a particular taxation year and, at that time, there is a resident contributor to the trust or a resident beneficiary under the trust, the following rules apply, unless the trust is an exempt foreign trust at that time:

(*a*) the trust is deemed to be resident in Canada throughout the particular taxation year for the purpose of

i. computing the trust's income for the particular year,

ii. applying Chapter V of Title XII (except sections 669.3 and 669.4) and section 688.1 in respect of the trust and a beneficiary under the trust,

iii. applying subparagraph 3 of subparagraph i.1 of paragraph *n* of section 257, paragraph *c* of section 597.1, section 688.0.0.2 and Part II, in respect of a beneficiary under the trust,

iv. applying section 733.1,

v. determining the rights and obligations of the trust under Book IX, and

vi. determining whether a foreign affiliate of a taxpayer (other than the trust) is a controlled foreign affiliate of the taxpayer;

(*b*) no deduction is to be made under section 146 by the trust in computing its income for the particular taxation year, and for the purpose of applying section 146.1 and Chapter I of Title III of Book V to the trust for the particular taxation year, the following rules apply:

i. in determining the non-business-income tax (within the meaning assigned by section 772.2 for the purposes of this section) paid by the trust for the particular taxation year, paragraph *b* of the definition of that expression does not apply, and

ii. where, at that specified time, the trust is resident in a country other than Canada,

(1) the trust's income for the particular taxation year is deemed to be from sources in that country and not to be from any other source, and

(2) the business-income tax (within the meaning assigned by section 772.2), and the non-business-income tax, paid by the trust for the particular taxation year are deemed to be paid by the trust to the government of that country and not to any other government;

(*c*) where section 94 of the Income Tax Act (Revised Statutes of Canada, 1985, chapter 1, 5th Supplement) did not apply to deem, for the purposes of that Act, the trust to be resident in Canada throughout its taxation year (in this paragraph referred to as the "preceding year") immediately preceding the particular taxation year, the trust is deemed to have

i. immediately before the end of the preceding year, disposed of each property (other than property described in any of subparagraphs i to iv of paragraph *b* of section 785.1) held by the trust at that time for proceeds of disposition equal to its fair market value at that time, and

ii. at the beginning of the particular taxation year, acquired each of the properties deemed to be disposed of in accordance with subparagraph i at a cost equal to the property's proceeds of disposition determined under subparagraph i;

(*d*) where section 94 of the Income Tax Act applied to deem, for the purposes of that Act, the trust to be resident in Canada for its last taxation year that ended before 1 January 2007, the trust is deemed, from the particular taxation year, to have

i. disposed of each property (other than property described in any of subparagraphs i to iv of paragraph *b* of section 785.1) at the time the trust is deemed to have disposed of the property under section 128.1 of the Income Tax Act, because of the application of that section 94, for proceeds of disposition equal to the proceeds determined at that time under that section 128.1, and

ii. at the time the trust is deemed to have acquired the property under section 128.1 of the Income Tax Act, because of the application of that section 94, acquired each of the properties deemed to be disposed of in accordance with subparagraph i at a cost equal to the property's proceeds of disposition determined under subparagraph i;

(*e*) if the trust (in this paragraph referred to as the "particular trust") is an electing trust in respect of the particular taxation year, the following rules apply:

i. an inter vivos trust (in this paragraph referred to as the "non-resident portion trust") is deemed for the purposes of this Act (other than for the purposes of the first and second paragraphs of section 647) to be created at the first time at which the particular trust exists in its first taxation year in respect of which

the particular trust is an electing trust and to continue in existence until the earliest of

(1) the time at which the particular trust ceases to be resident in Canada because of section 597 or 597.0.1,

(2) the time at which the particular trust ceases to exist, and

(3) the time at which the particular trust becomes resident in Canada otherwise than because of this section,

ii. all of the particular trust's property that is part of the particular trust's non-resident portion is deemed to be the property of the non-resident portion trust and not to be, except for the purposes of this paragraph and the definition of "electing trust" in the first paragraph of section 593, the particular trust's property,

iii. the terms and conditions of, and rights and obligations of beneficiaries under, the particular trust (determined with reference to all the circumstances including the terms of a trust, an intention, the laws of a country or the existence of an agreement, a memorandum, a letter of wishes or any other arrangement) are deemed to be the terms and conditions of, and rights and obligations of beneficiaries under, the non-resident portion trust,

iv. the trustees of the particular trust are deemed to be the trustees of the non-resident portion trust,

v. the beneficiaries under the particular trust are deemed to be the beneficiaries under the non-resident portion trust,

vi. the non-resident portion trust is deemed not to have a resident contributor or connected contributor to it,

vii. the non-resident portion trust is deemed to be, without affecting the liability of its trustees for their own income tax, in respect of its property an individual,

viii. if all or part of property becomes at a particular time part of the particular trust's non-resident portion and immediately before the particular time the property or that part of property was part of its resident portion, the particular trust is deemed to have transferred at the particular time the property or that part of property to the non-resident portion trust,

ix. if all or part of property becomes at a particular time part of the particular trust's resident portion and immediately before the particular time the property or that part of property was part of its non-resident portion, the non-resident portion trust is deemed to have transferred at the particular time the property or that part of property to the particular trust,

x. the particular trust and the non-resident portion trust are deemed at all times to be affiliated with each other and to not deal with each other at arm's length,

xi. the particular trust has solidarily with the non-resident portion trust the rights and obligations of the non-resident portion trust in respect of any taxation year under Book IX, and the Tax Administration Act (chapter A-6.002) applies in respect of those rights and obligations, and

xii. if the non-resident portion trust ceases to exist at a particular time determined in accordance with any of subparagraphs 1 to 3 of subparagraph i, the following rules apply:

(1) the non-resident portion trust is deemed, at the time (in this subparagraph xii referred to as the "disposition time") that is immediately before the time that is immediately before the particular time, to have disposed of each of its properties that is property described in any of subparagraphs i to iv of paragraph *b* of section 785.1 for proceeds of disposition equal to the cost amount to it of the property at the disposition time and of each of its other properties for proceeds of disposition equal to its fair market value of the property at the disposition time,

(2) the particular trust is deemed to have acquired, at the time that is immediately before the particular time, each property described in subparagraph 1 at a cost equal to the proceeds of disposition determined under subparagraph 1 in respect of the property, and

(3) each person or partnership that is at the time immediately before the particular time a beneficiary under the non-resident portion trust is deemed at the disposition time to have disposed of the beneficiary's interest as a beneficiary under the non-resident portion trust for proceeds of disposition equal to the beneficiary's cost amount in the interest at the disposition time and to have ceased to be, other than for purposes of this subparagraph 3, a beneficiary under the non-resident portion trust;

(*f*) where there is, at that time, a resident contributor to the trust that is a tax-liable taxpayer in respect of the trust or a resident beneficiary under the trust that is a tax-liable taxpayer in respect of the trust if a connected contributor to the trust at that time is a tax-liable taxpayer in respect of the trust at that time, the trust is deemed, for the purpose of applying Book II and determining the trust's tax liability under this Part, to be resident in Québec on the last day of the particular year and, where the trust is an electing trust in respect of the particular year, its income for the particular year is deemed to be equal to the portion of that income, otherwise determined, that may reasonably be considered as being attributable to property that was contributed to the trust on or before that time by a contributor that is at that time a resident contributor to the trust and a tax-liable taxpayer in respect of the trust, or, if there is at that time a resident beneficiary under the trust that is a tax-liable taxpayer in respect of the trust, a connected contributor to the trust and a tax-liable taxpayer in respect of the trust; and

(*g*) each person that at any time in the particular taxation year is a resident contributor to the trust (other than an electing contributor to the trust at the specified time) or a resident beneficiary under the trust and that is a tax-liable taxpayer in respect of the trust at any time has, solidarily with the trust and with each other such person that is such a resident contributor or such a resident beneficiary, the rights and obligations of the trust in respect of the particular taxation year under Book IX, and the Tax Administration Act applies in respect of those rights and obligations.

"**596.** For greater certainty, section 595 does not deem a trust to be resident in Canada

(*a*) for the purposes of subparagraph i of subparagraph *b* of the second paragraph of section 248;

(*b*) for the purposes of sections 440, 454 and 597.0.6, the definition of "Canadian partnership" in the first paragraph of section 599, paragraph *c* of section 692.5 and paragraph *a* of section 1120;

(*c*) for the purpose of determining whether section 467 applies;

(*d*) for the purposes of the definitions of "arm's length transfer" and "exempt foreign trust" in the first paragraph of section 593;

(*e*) for the purpose of determining whether section 692 applies in respect of a distribution of property to the trust after 17 July 2005;

(*f*) for the purpose of determining whether, in applying section 785.1, the trust becomes resident in Canada at a particular time; and

(*g*) for the purpose of determining whether, in applying section 785.2, the trust ceases to be resident in Canada at a particular time.

"**597.** A trust is deemed to cease to be resident in Canada at the earliest time at which there is neither a resident contributor to the trust nor a resident beneficiary under the trust in a particular taxation year (determined without reference to section 785.2) of the trust if

(*a*) the particular taxation year immediately follows a taxation year of the trust throughout which the trust was deemed under section 595 to be resident in Canada for the purpose of computing its income; and

(*b*) at a specified time in the particular taxation year, the trust

i. is not resident in Canada,

ii. is not an exempt foreign trust, and

iii. has no resident contributor to it or resident beneficiary under it."

(2) Subsection 1 applies to a taxation year that ends after 31 December 2006. However,

(1) a trust's fiscal return for a taxation year at the end of which the trust was deemed to be resident in Québec under paragraph *f* of section 595 of the Act, enacted by subsection 1, or throughout which the trust was deemed to exist under paragraph *e* of that section 595, which would otherwise be required to be filed before 2 April 2016, is deemed to have been filed, for the purposes of section 1045 of the Act, with the Minister of Revenue on a timely basis if it is filed with the Minister of Revenue within 365 days after that date;

(2) where section 593 of the Act applies in respect of a taxation year of a trust that ends before 11 February 2014 or, if the conditions of subsection 3 are met, before 1 January 2015, the definitions of "connected contributor" and "resident contributor" in the first paragraph of that section 593 are to be read as follows:

""connected contributor" to a trust at any time means a contributor to the trust at that time, other than

(*a*) an individual (other than a trust and an individual who, before that time, has never been a person not resident in Canada) who, at or before that time, was resident in Canada for one or more periods not exceeding 60 months; or

(*b*) a person all of whose contributions to the trust made at or before that time were made at a non-resident time of the person;

""resident contributor" to a trust at any time means a person that is, at that time, resident in Canada and a contributor to the trust, but does not include

(*a*) an individual (other than a trust and an individual who, before that time, has never been a person not resident in Canada) who, at that time, was not resident in Canada for a period of, or periods the aggregate of which is, more than 60 months; and

(*b*) an individual (other than a trust) if

i. the trust is an inter vivos trust created before 1 January 1960 by a person who was not resident in Canada when the trust was created, and

ii. the individual has not, after 31 December 1959, made a contribution to the trust;";

(3) where section 593 of the Act applies in respect of the taxation year of a trust that ends before 1 January 2009, subparagraph 3 of subparagraph ii of paragraph *f* of the definition of "exempt foreign trust" in the first paragraph of that section 593 is to be read as follows:

"(3) no benefits are provided under the trust, other than benefits in respect of qualifying services, particular services rendered before 9 November 2006

to an employer by an employee of the employer if the employee had on 8 November 2006 a right (whether immediate or future or whether absolute or contingent) to receive the benefits in respect of the particular services under an agreement in writing that was entered into before 9 November 2006 and, if the employee was resident in Canada on 9 November 2006, in respect of which the requirements provided for in sub-subclause 2 of subclause II of clause C of subparagraph ii of paragraph *f* of the definition of "exempt foreign trust" in subsection 1 of section 94 of the Income Tax Act, enacted by paragraph *e* of subsection 2 of section 7 of the Technical Tax Amendments Act, 2012 (Statutes of Canada, 2013, chapter 34) have been complied with, or a combination of such qualifying or particular services;";

(4) where section 593 of the Act has effect before 1 January 2012, subparagraph ii of paragraph *c* of the definition of "exempt foreign trust" in the first paragraph of that section 593 is to be read as follows:

"ii. at the particular time the trust owns and administers a university described in paragraph *g* of the definition of "total charitable gifts" in the first paragraph of section 752.0.10.1,";

(5) where section 593 of the Act applies in respect of a contribution made before 23 June 2000, the definition of "non-resident time" in the first paragraph of that section 593 is to be read as if "if the person is an individual and the trust arose on and as a consequence of the death of the individual, 18 months before the contribution time" in the portion before paragraph *a* were replaced by "if the contribution time is before 23 June 2000, 18 months before the end of the trust's taxation year that includes the contribution time";

(6) if a trust has made a valid election under paragraph *d* of subsection 2 of section 7 of the Technical Tax Amendments Act, 2012 (Statutes of Canada, 2013, chapter 34) to have that paragraph *d* apply to the trust, the definition of "arm's length transfer" in the first paragraph of section 593 of the Act does not include, for the purposes of Chapter VI of Title X of Book III of Part I of the Taxation Act, a loan or other transfer of property that is identified in the election and that is made in a taxation year that begins before 1 January 2003;

(7) where paragraph *q* of section 594 of the Act applies in respect of a transfer made before 27 August 2010, it is to be read as follows:

"(*q*) a contribution made at any time by a particular partnership to a trust is deemed to be made at that time jointly by the particular partnership and by each person or partnership that is at that time a member of the particular partnership (other than a member of the particular partnership if the liability of the member as a member of the particular partnership is limited by operation of any law governing the partnership arrangement);";

(8) where section 596 of the Act applies to a taxation year that ends before 21 March 2013, paragraph *b* of that section 596 is to be read as if "440, 454 and 597.0.6" were replaced by "440 and 454";

(9) where section 596 of the Act applies to a taxation year that ends before 21 March 2013, paragraph *c* of that section 596 is to be read as follows:

"(*c*) for the purpose of determining whether section 467 applies to deem an amount to be an income, loss, taxable capital gain or allowable capital loss of the trust;"; and

(10) if a trust has made a valid election under paragraph *o* of subsection 2 of section 7 of the Technical Tax Amendments Act, 2012, section 597 of the Act is to be read as follows in respect of a taxation year of the trust that ends before 25 October 2012:

"**597.** A trust is deemed to cease to be resident in Canada at the earliest time at which there is neither a resident contributor to the trust nor a resident beneficiary under the trust in a period that would, but for section 785.2, be a taxation year of the trust

(*a*) that immediately follows a taxation year throughout which the trust was resident in Canada;

(*b*) at the beginning of which there was a resident contributor to the trust or a resident beneficiary under the trust; and

(*c*) at the end of which the trust is not resident in Canada."

(3) The conditions to which paragraph 2 of subsection 2 refers are as follows:

(1) no contribution was made to the trust after 10 February 2014 and before 1 January 2015; and

(2) had the trust had a particular taxation year ending after 31 December 2013 and before 11 February 2014,

(*a*) the trust would not be resident in Canada for the purpose of computing its income for the particular year; or

(*b*) the trust would be resident in Canada for the purpose of computing its income for the particular year if the definitions of "connected contributor" and "resident contributor" in the first paragraph of section 593 of the Act were read without reference to their paragraph *a*.

(4) Chapter V.2 of Title II of Book I of Part I of the Act applies, with the necessary modifications, in relation to an election described in subsection 2. In addition, for the purposes of section 21.4.7 of the Act in respect of that election, a taxpayer is deemed to have complied with a requirement of section 21.4.6 of the Act if the taxpayer complies with it on or before 1 June 2016.

29. (1) The Act is amended by inserting the following sections after section 597:

"**597.0.1.** A trust is deemed to cease to be resident in Canada at the earliest time at which the trust becomes an exempt foreign trust in a particular taxation year (determined without reference to section 785.2) of the trust if

(*a*) the particular taxation year immediately follows a taxation year throughout which the trust was deemed under section 595 to be resident in Canada for the purpose of computing its income; and

(*b*) at a specified time in the particular taxation year,

i. there is a resident contributor to the trust or a resident beneficiary under the trust, and

ii. the trust is an exempt foreign trust.

"**597.0.2.** Where a trust is deemed under section 597 or 597.0.1 to cease to be resident in Canada at a particular time, the following rules apply in respect of the trust in relation to the particular taxation year that is, because of that cessation of residence, deemed to end immediately before the particular time:

(*a*) the trust's fiscal return for the particular taxation year is deemed to be filed with the Minister on a timely basis if it is filed with the Minister on or before the 90th day after the end of the trust's taxation year that is deemed to start at the particular time because of that cessation of residence; and

(*b*) an amount that is included in computing the trust's income (determined without reference to paragraphs *a* and *b* of section 657 and section 657.1) for the particular taxation year but that otherwise became payable by the trust in the period after the particular taxation year and before the end of the trust's taxation year that is deemed to start at the particular time because of that cessation of residence, is deemed to have become payable by the trust immediately before the end of the particular taxation year and not at any other time.

"**597.0.3.** Where at a specified time in a taxation year a trust is an exempt foreign trust, at a particular time in the immediately following taxation year (determined without reference to this section) the trust ceases to be an exempt foreign trust (otherwise than because of becoming resident in Canada), and at the particular time there is a resident contributor to, or resident beneficiary under, the trust, the trust's taxation year (determined without reference to this section) that includes the particular time is deemed to end immediately before the particular time and a new taxation year of the trust is deemed to begin at the particular time.

"**597.0.4.** The maximum amount recoverable under paragraph *g* of section 595 at a particular time from a person in respect of a trust (other than

a person that is deemed, under section 597.0.10 or 597.0.11, to be a contributor or a resident contributor to the trust) and a particular taxation year of the trust is equal to the person's recovery limit at the particular time in respect of the trust and the particular year if

(*a*) either

i. the person is liable under paragraph *g* of section 595 in respect of the trust and the particular taxation year solely because the person was a resident beneficiary under the trust that is a tax-liable taxpayer in respect of the trust at a specified time in respect of the trust in the particular taxation year, or

ii. at a specified time in respect of the trust in the particular taxation year, the aggregate of all amounts each of which is the amount, at the time it was made, of a contribution to the trust made before the specified time by the person or by another person or partnership not dealing at arm's length with the person, is not more than the greater of

(1) $10,000, and

(2) 10% of the aggregate of all amounts each of which is the amount, at the time it was made, of a contribution made to the trust before the specified time;

(*b*) the person has complied with the requirements of paragraph *b* of subsection 7 of section 94 of the Income Tax Act (Revised Statutes of Canada, 1985, chapter 1, 5th Supplement) in respect of the particular time; and

(*c*) it is reasonable to conclude that for each transaction that occurred before the end of the particular taxation year at the direction of, or with the consent of, the person

i. none of the purposes of the transaction was to enable the person to reduce or avoid any liability under paragraph *g* of section 595 in respect of the trust, and

ii. the transaction was not part of a series of transactions any of the purposes of which was to enable the person to reduce or avoid any liability under paragraph *g* of section 595 in respect of the trust.

"**597.0.5.** The recovery limit referred to in section 597.0.4 at a particular time of a particular person in respect of a trust and a particular taxation year of the trust is equal to the amount by which the amount determined under the second paragraph is exceeded by the greater of

(*a*) the aggregate of all amounts each of which is

i. an amount received or receivable after 31 December 2000 and before the particular time by the particular person on the disposition of all or part of the person's interest as a beneficiary under the trust, or by a person or partnership

(that was, when the amount became receivable, a specified party in respect of the particular person) on the disposition of all or part of the specified party's interest as a beneficiary under the trust,

ii. an amount (other than an amount described in subparagraph i) made payable by the trust after 31 December 2000 and before the particular time to the particular person because of the interest of the particular person as a beneficiary under the trust, or a person or partnership (that was, when the amount became payable, a specified party in respect of the particular person) because of the interest of the specified party as a beneficiary under the trust,

iii. an amount received after 27 August 2010 by the particular person, or a person or partnership (that was, when the amount was received, a specified party in respect of the particular person), as a loan from the trust to the extent that the amount has not been repaid,

iv. an amount (other than an amount described in any of subparagraphs i to iii) that is the fair market value of a benefit received or enjoyed, after 31 December 2000 and before the particular time, from or under the trust by the particular person, or a person or partnership (that was, when the benefit was received or enjoyed, a specified party in respect of the particular person), or

v. the amount determined in respect of the particular person in accordance with subparagraph v of paragraph *a* of subsection 8 of section 94 of the Income Tax Act (Revised Statutes of Canada, 1985, chapter 1, 5th Supplement); and

(*b*) the aggregate of all amounts each of which is the amount, when made, of a contribution to the trust before the particular time by the particular person.

The amount referred to in the first paragraph is equal to the aggregate of all amounts each of which is

(*a*) an amount recovered before the particular time from the particular person in connection with a liability of the particular person (in respect of the trust and the particular year or a preceding taxation year of the trust) that arose because of the application of section 94 of the Income Tax Act or section 595;

(*b*) an amount (other than an amount to which this subparagraph has applied in respect of any other person) recovered before the particular time from a specified party in respect of the particular person in connection with a liability of the particular person (in respect of the trust and the particular year or a preceding taxation year of the trust) that arose because of the application of section 94 of the Income Tax Act or section 595;

(*c*) the amount by which the particular person's tax payable under this Part for any taxation year in which an amount described in any of subparagraphs i to iv of subparagraph *a* of the first paragraph was paid, became payable, was received, became receivable or was enjoyed by the particular person exceeds the amount that would have been the particular person's tax payable under this

Part for that taxation year if no such amount were paid, became payable, were received, became receivable or were enjoyed by the particular person in that taxation year; or

(*d*) the amount determined in respect of the particular person in accordance with paragraph *e* of subsection 8 of section 94 of the Income Tax Act.

"**597.0.6.** The rules in the second paragraph apply at a particular time in respect of a particular person, and to a particular property, in respect of a trust not resident in Canada, if at that time

(*a*) the particular person is resident in Canada; and

(*b*) the trust holds the particular property on condition that the particular property or property substituted for the particular property may revert to the particular person or pass to one or more persons or partnerships to be determined by the particular person, or may not be disposed of by the trust during the existence of the particular person, except with the particular person's consent or in accordance with the particular person's direction.

In applying this chapter in respect of the trust for a taxation year of the trust that includes the particular time, the rules referred to in the first paragraph are as follows:

(*a*) every transfer or loan made at or before the particular time by the particular person (or by a trust or partnership of which the particular person was a beneficiary or member, as the case may be) of the particular property, of another property for which the particular property is a substitute, or of property from which the particular property derives, or the other property derived, its value in whole or in part, directly or indirectly, is deemed to be a transfer or loan, as the case may be, by the particular person

i. that is not an arm's length transfer, and

ii. that is, for the purposes of paragraph *c* of section 594 and section 597.0.7, a transfer or loan of restricted property; and

(*b*) paragraph *c* of section 594 is to be read without reference to its subparagraph iii in its application to each transfer and loan described in subparagraph *a*.

"**597.0.7.** Where a person or partnership contributes at any time restricted property to a trust, the amount of the contribution at that time is deemed, for the purposes of this chapter, to be equal to the greater of

(*a*) the amount, determined without reference to this section, of the contribution at that time; and

(*b*) the amount that is the greatest fair market value of the restricted property, or property substituted for it, in the period that begins immediately after that time and ends at the end of the third calendar year that ends after that time.

"**597.0.8.** In applying this chapter at any specified time, in respect of a trust's taxation year, that is before the particular time at which a contributor to the trust becomes resident in Canada within 60 months after making a contribution to the trust, the contribution is deemed to have been made at a time other than a non-resident time of the contributor if

(*a*) in applying the definition of "non-resident time" in the first paragraph of section 593 at each of those specified times, the contribution was made at a non-resident time of the contributor; and

(*b*) in applying the definition of "non-resident time" in the first paragraph of section 593 immediately after the particular time, the contribution is made at a time other than a non-resident time of the contributor.

"**597.0.9.** Sections 597.0.10 and 597.0.11 apply to a trust or a person in respect of a trust if

(*a*) at any time property of a trust (in this section and sections 597.0.10 and 597.0.11 referred to as the "original trust") is transferred or loaned, directly or indirectly, in any manner whatever, to another trust (in this section and sections 597.0.10 and 597.0.11 referred to as the "transferee trust");

(*b*) the original trust

i. is deemed to be resident in Canada immediately before that time under paragraph *a* of section 595,

ii. would be deemed to be resident in Canada immediately before that time under paragraph *a* of section 595 if this chapter, as it read in its application to the taxation year 2013, were read without reference to paragraph *a* of the definition of "connected contributor" in the first paragraph of section 593 and paragraph *a* of the definition of "resident contributor" in that first paragraph, or

iii. is an original trust to which subparagraph iii or iv of paragraph *b* of subsection 11 of section 94 of the Income Tax Act (Revised Statutes of Canada, 1985, chapter 1, 5th Supplement) applies; and

(*c*) it is reasonable to conclude that one of the reasons the transfer or loan is made is to reduce or avoid a liability under this Part, where the liability arose, or would otherwise have arisen, because of the application of this chapter, or under Part I of the Income Tax Act, where the liability arose, or would otherwise have arisen, because of the application of section 94 of that Act.

"**597.0.10.** The original trust described in section 597.0.9 is deemed to be—at and after the time of the transfer or loan referred to in that section and for the purpose of applying this chapter in respect of the transferee trust referred to in that section—a resident contributor to the transferee trust, even if the original trust has ceased to exist.

"**597.0.11.** A person that is, at the time of the transfer or loan referred to in section 597.0.9, a contributor to the original trust referred to in that section, is deemed to be at and after that time, even if the person has ceased to exist,

(*a*) a contributor to the transferee trust referred to in section 597.0.9; and

(*b*) a connected contributor to the transferee trust, if at that time the person is a connected contributor to the original trust.

"**597.0.12.** A particular property that is, or will be, at a particular time held, loaned or transferred by a particular person or partnership is not restricted property held, loaned or transferred, as the case may be, at that time by the particular person or partnership if

(*a*) the particular property is property in respect of which the conditions of paragraph *a* of subsection 14 of section 94 of the Income Tax Act (Revised Statutes of Canada, 1985, chapter 1, 5th Supplement) are met in respect of the particular person or partnership; or

(*b*) at the particular time

i. the particular property is

(1) a share of the capital stock of a corporation,

(2) a fixed interest in a trust, or

(3) an interest, as a member of a partnership, under which, by operation of any law governing the arrangement in respect of the partnership, the liability of the member as a member of the partnership is limited,

ii. there are at least 150 persons each of whom holds at the particular time property that at that time

(1) is identical to the particular property, and

(2) has a total fair market value of at least $500,

iii. the aggregate of all amounts each of which is the fair market value, at the particular time, of the particular property (or of identical property that is held, at that time, by the particular person or partnership or a person with whom the particular person or partnership does not deal at arm's length) does not exceed 10% of the aggregate of all amounts each of which is the fair market

value, at the particular time, of the particular property or of identical property held by any person or partnership,

iv. property that is identical to the particular property can normally be acquired by and sold by members of the public in the open market, and

v. the particular property, or identical property, is listed on a designated stock exchange.

Chapter V.2 of Title II of Book I applies in relation to property identified by a particular person or partnership for the purposes of subparagraph iii of paragraph *a* of subsection 14 of section 94 of the Income Tax Act.

"**597.0.13.** For the purposes of this chapter, the following rules apply:

(*a*) if it can reasonably be considered that one of the main reasons that a person or partnership

i. is at any time a shareholder of a corporation is to cause the condition of paragraph *b* of the definition of "closely held corporation" in the first paragraph of section 593 to be satisfied in respect of the corporation, the condition is deemed not to have been satisfied at that time in respect of the corporation,

ii. holds at any time an interest in a trust is to cause the condition of subparagraph 1 of subparagraph ii of paragraph *h* of the definition of "exempt foreign trust" in the first paragraph of section 593 to be satisfied in respect of the trust, the condition is deemed not to have been satisfied at that time in respect of the trust, and

iii. holds at any time a property is to cause the condition of subparagraph ii of subparagraph *b* of the first paragraph of section 597.0.12 to be satisfied in respect of the property or an identical property held by any person, the condition is deemed not to have been satisfied at that time in respect of the property or the identical property;

(*b*) where, at or before a specified time in a trust's particular taxation year, a resident contributor to the trust contributes to the trust property that is restricted property of the trust, or property for which restricted property of the trust is substituted, and the trust is at that specified time an exempt foreign trust because of paragraph *f* of the definition of "exempt foreign trust" in the first paragraph of section 593, the amount of the trust's income for the particular year from the restricted property, and the amount of any taxable capital gain from the disposition in the particular year by the trust of the restricted property, are to be included in computing the income of the resident contributor for its taxation year in which the particular taxation year of the trust ends and not in computing the income of the trust for that particular year; and

(*c*) where at a specified time in a particular taxation year a trust is an exempt foreign trust because of paragraph *h* of the definition of "exempt foreign trust"

in the first paragraph of section 593, at a time immediately before a particular time in the immediately following taxation year (determined without reference to section 597.0.3) there is a resident contributor to, or resident beneficiary under, the trust, at the time that is immediately before the particular time a beneficiary under the trust holds a fixed interest in the trust, and at the particular time the interest ceases to be a fixed interest in the trust, the following rules apply:

i. the trust is deemed, other than for the purposes of section 597.0.3, not to be an exempt foreign trust at any time in the trust's taxation year (in this section referred to as the "assessment year") that ends, in accordance with section 597.0.3, at the time that is immediately before the particular time,

ii. the trust shall include in computing its income for its assessment year the amount determined by the formula

A – B – C, and

iii. if the trust has tax payable for its assessment year, then throughout the period that begins at the trust's balance-due day for each taxation year that ends in the interest gross-up period, within the meaning assigned by subparagraph *c* of the second paragraph, and ends at the trust's balance-due day for its assessment year, the trust is deemed to have unpaid tax (in addition to any unpaid tax otherwise determined in respect of the trust under that section) for the purposes of section 1037 equal to the amount determined by the formula

D/E × 25.75%.

In the formulas in the first paragraph,

(*a*) A is the amount by which the aggregate of all amounts each of which is equal to the fair market value of a property held by the trust at the end of its assessment year exceeds the aggregate of all amounts each of which is equal to the principal amount outstanding at the end of the assessment year of a liability of the trust;

(*b*) B is the amount by which the aggregate of all amounts each of which is equal to the fair market value of a property held by the trust at the earliest time (in this paragraph referred to as the "initial time") at which there is a resident contributor to, or resident beneficiary under, the trust and at which the trust is an exempt foreign trust exceeds the aggregate of all amounts each of which is equal to the principal amount outstanding at the initial time of a liability of the trust;

(*c*) C is the aggregate of all amounts each of which is the amount of a contribution made to the trust in the period that begins at the initial time and ends at the end of its assessment year (in this paragraph referred to as the "interest gross-up period");

(*d*) D is the amount determined in accordance with subparagraph ii of subparagraph *c* of the first paragraph in respect of the trust for the assessment year; and

(*e*) E is the number of the trust's taxation years that end in the interest gross-up period.

"**597.0.14.** Where at a specified time in respect of a trust for a taxation year of the trust (in this section referred to as the "trust's year"), there is an electing contributor in respect of the trust, the following rules apply:

(*a*) the electing contributor is required to include in computing income for the contributor's taxation year (in this section referred to as the "contributor's year") in which the trust's year ends, the amount determined by the formula

A/B × (C – D);

(*b*) subject to subparagraph *c*, the amount, if any, required to be included in the electing contributor's income, in accordance with subparagraph *a*, for the contributor's year is deemed to be income from property from a source in Canada;

(*c*) for the purposes of this subparagraph, subparagraph *d* and sections 772.2 to 772.13, an amount in respect of the trust's income for the trust's year from a source in a foreign country is deemed to be income of the electing contributor for the contributor's year from that source if the amount is deemed to be such income of the contributor for the purposes of the Income Tax Act (Revised Statutes of Canada, 1985, chapter 1, 5th Supplement) under paragraph *c* of subsection 16 of section 94 of that Act;

(*d*) for the purposes of this subparagraph and sections 772.2 to 772.13, the electing contributor is deemed to have paid to the government of a foreign country or of a political subdivision of such a country, as business-income tax or non-business-income tax, as the case may be, for the contributor's year in respect of a particular source in that country, an amount equal to the amount determined by the formula

E × F/G;

(*e*) in applying section 146.1 and sections 772.2 to 772.13 in respect of the trust's year there must be deducted

i. in computing the trust's income from a particular source for the trust's year the aggregate of all amounts each of which is an amount that, in accordance with subparagraph *c*, is deemed to be income from the particular source of the electing contributor for the contributor's year, and

ii. in computing the business-income tax or non-business-income tax paid by the trust for the trust's year in respect of a particular source the aggregate

of all amounts in respect of that source each of which is an amount that, in accordance with subparagraph *d*, is deemed to be paid by the electing contributor as business-income tax or non-business-income tax in respect of the particular source;

(*f*) in computing the trust's income for the trust's year the trust may deduct an amount that does not exceed the amount included by the electing contributor, under subparagraph *a*, in computing the electing contributor's income for the contributor's year; and

(*g*) where before the specified time the electing contributor made a contribution to the trust as part of a series of transactions in which another person made the same contribution, in applying subparagraphs *a* to *f* in respect of the electing contributor and the other person, the other person is deemed not to be a joint contributor in respect of the contribution if the other person is deemed not to be a joint contributor in respect of that contribution for the purposes of the Income Tax Act under paragraph *g* of subsection 16 of section 94 of that Act.

In the formulas in the first paragraph,

(*a*) A is the aggregate of all amounts each of which is

i. where at or before the specified time the electing contributor has made a contribution to the trust and is not a joint contributor in respect of the trust and the contribution, the amount of the contribution, or

ii. where at or before the specified time the electing contributor has made a contribution to the trust and is a joint contributor in respect of the trust and the contribution, the quotient obtained when the amount of the contribution is divided by the number of joint contributors in respect of the contribution;

(*b*) B is the aggregate of all amounts each of which is the amount that would be determined in accordance with subparagraph *a* for each resident contributor, or connected contributor, to the trust at the specified time if all of those contributors were electing contributors in respect of the trust;

(*c*) C is the trust's income, computed without reference to subparagraph *f* of the first paragraph, for the trust's year;

(*d*) D is the amount deducted by the trust under sections 727 to 737 in computing its taxable income for the trust's year;

(*e*) E is the amount that, in the absence of subparagraph i of subparagraph *e* of the first paragraph, would be the business-income tax or non-business-income tax, as the case may be, paid by the trust to the government of a foreign country or of a political subdivision of such a country in respect of the particular source referred to in subparagraph *d* of the first paragraph for the trust's year;

(*f*) F is the aggregate of all amounts each of which is an amount deemed under subparagraph *c* of the first paragraph to be an income of the electing contributor for the contributor's year from the particular source referred to in subparagraph *d* of the first paragraph; and

(*g*) G is the trust's income for the trust's year from the particular source referred to in subparagraph *d* of the first paragraph.

In this section, "business-income tax" and "non-business-income tax" have the meaning assigned by section 772.2.

"**597.0.15.** Where, at or before a specified time in a trust's taxation year (in this section referred to as the "trust's year"), there is an electing contributor who is both a tax-liable taxpayer in respect of the trust and a joint contributor in respect of a contribution to the trust, the following rules apply:

(*a*) each person who is both a joint contributor in respect of the contribution and a tax-liable taxpayer in respect of the trust has, in respect of the contribution, solidarily, the rights and obligations under Book IX of each other person (in this section referred to as the "specified person") who is, at or before the specified time, a joint contributor in respect of the contribution and a tax-liable taxpayer in respect of the trust, for the specified person's taxation year in which the trust's year ends, and the Tax Administration Act (chapter A-6.002) applies in respect of those rights and obligations; and

(*b*) the maximum amount recoverable under subparagraph *a* at a particular time from the person in respect of the contribution and a taxation year, of another person who is the specified person, in which the trust's year ends is the amount determined by the formula

A – B – C.

In the formula in the first paragraph,

(*a*) A is the aggregate of the amounts payable by the specified person under this Part for the specified person's taxation year in which the trust's year ends;

(*b*) B is the amount that would be determined in accordance with subparagraph *a* if the aggregate of the amounts payable by the specified person under this Part for the specified person's taxation year in which the trust's year ends were computed without reference to the contribution; and

(*c*) C is the amount recovered before the particular time from the specified person, and any other joint contributor in respect of the trust and the contribution, in connection with the liability of the specified person in respect of the contribution."

(2) Subsection 1, where it enacts sections 597.0.1 to 597.0.5 and 597.0.7 to 597.0.13 of the Act, applies to a taxation year that ends after 31 December 2006.

(3) Subsection 1, where it enacts section 597.0.6 of the Act, applies to a taxation year that ends after 20 March 2013.

(4) Despite subsection 2, subparagraph ii of subparagraph *b* of section 597.0.9 of the Act, enacted by subsection 1, is to be read without reference to ", as it read in its application to the taxation year 2013," where that section 597.0.9 applies, in respect of a trust, to a taxation year that ends before 11 February 2014 and, if the following conditions are met, to a taxation year that ends after 10 February 2014 and before 1 January 2015:

(1) no contribution is made to the trust after 10 February 2014 and before 1 January 2015; and

(2) if the trust had a particular taxation year that ended after 31 December 2013 and before 11 February 2014, the trust was not resident in Canada for the purpose of computing its income for the particular year but would be resident in Canada for that purpose if the definitions of "connected contributor" and "resident contributor" in the first paragraph of section 593 of the Act were read without reference to their paragraph *a*.

(5) Despite subsection 2, where section 597.0.12 of the Act has effect before 14 December 2007, subparagraph v of subparagraph *b* of its first paragraph is to be read as if "designated stock exchange" were replaced by "Canadian stock exchange or a foreign stock exchange".

(6) Subsection 1, where it enacts sections 597.0.14 and 597.0.15 of the Act, applies to a taxation year that ends after 4 March 2010.

(7) If a trust has made a valid election under paragraph *o* of subsection 2 of section 7 of the Technical Tax Amendments Act, 2012 (Statutes of Canada, 2013, chapter 34), Chapter VI of Title X of Book III of Part I of the Taxation Act is, in respect of a taxation year of the trust that ends before 25 October 2012, to be read without reference to sections 597.0.1 and 597.0.2 of the Act and section 597.0.3 of the Act is, in respect of such a taxation year, to be read as follows:

"**597.0.3.** If at any time a trust becomes or ceases to be an exempt foreign trust (otherwise than because of becoming resident in Canada), its taxation year that would otherwise include that time is deemed to have ended immediately before that time and a new taxation year of the trust is deemed to begin at that time."

(8) Chapter V.2 of Title II of Book I of Part I of the Act applies, with the necessary modifications, in relation to an election referred to in subsection 7. In addition, for the purposes of section 21.4.7 of the Act in respect of that election, a taxpayer is deemed to have complied with a requirement of section 21.4.6 of the Act if the taxpayer complies with it on or before 1 June 2016.

30. (1) Section 597.1 of the Act is amended by replacing paragraph *c* by the following paragraph:

"(*c*) "foreign entity" at any time means a corporation that is at that time not resident in Canada, a partnership, organization, fund or entity that is at that time not resident in Canada or is not at that time situated in Canada, or an exempt foreign trust, within the meaning assigned to that expression by the first paragraph of section 593, other than a trust described in any of paragraphs *a* to *g* of the definition of that expression."

(2) Subsection 1 applies to a taxation year that ends after 31 December 2006.

31. (1) Section 597.4 of the Act is replaced by the following section:

"**597.4.** Where in a taxation year a taxpayer holds or has an interest in an offshore investment fund property and it may reasonably be concluded, taking all the circumstances into account, that one of the main reasons for the taxpayer acquiring, holding or having the interest in such property was to derive a benefit from portfolio investments in assets listed in paragraphs *a* to *h* of section 597.2 in such a manner that the taxes on the income, profits and gains from such assets for a particular year are significantly less than the tax that would have been payable under this Part if the income, profits and gains had been earned directly by the taxpayer, the amount determined under section 597.6 for that year in respect of that property is to be included in computing the taxpayer's income for the year."

(2) Subsection 1 applies to a taxation year that ends after 4 March 2010.

32. (1) Section 597.6 of the Act is amended

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

"**597.6.** The amount to be included in computing a taxpayer's income for a taxation year under section 597.4 in respect of an offshore investment fund property is equal to the amount by which the taxpayer's income for the year from the offshore investment fund property, determined without reference to this section or to section 597.4, is exceeded by the aggregate of all amounts each of which is the product obtained when the designated cost to the taxpayer of the offshore investment fund property at the end of a particular month in the year is multiplied by the quotient obtained when the rate of interest that is the total of the rates determined in accordance with clauses A and B of subparagraph ii of paragraph *f* of subsection 1 of section 94.1 of the Income Tax Act (Revised Statutes of Canada, 1985, chapter 1, 5th Supplement) for the period including the particular month is divided by 12.";

(2) by replacing "Aux fins" in the second paragraph in the French text by "Pour l'application".

(2) Subsection 1 applies to a taxation year that ends after 4 March 2010.

33. (1) The Act is amended by inserting the following after section 597.6:

"**CHAPTER VI.2**

"FOREIGN COMMERCIAL TRUSTS

"**597.7.** Section 597.8 applies to a beneficiary under a trust, and to a particular person of which such a beneficiary is a controlled foreign affiliate, at a particular time if

(*a*) the trust is at that time an exempt foreign trust (other than a trust described in any of paragraphs *a* to *g* of the definition of "exempt foreign trust" in the first paragraph of section 593);

(*b*) either

i. the total fair market value at that time of all fixed interests of a particular class in the trust held by the beneficiary, persons or partnerships not dealing at arm's length with the beneficiary, or persons or partnerships that acquired their interests in the trust in exchange for consideration given to the trust by the beneficiary, is at least 10% of the total fair market value at that time of all fixed interests of the particular class, or

ii. the beneficiary or the particular person has at or before that time contributed restricted property to the trust; and

(*c*) the beneficiary is at that time a

i. resident beneficiary,

ii. mutual fund,

iii. controlled foreign affiliate of the particular person, or

iv. partnership of which a person listed in any of subparagraphs i to iii is a member.

"**597.8.** If, because of section 597.7, this section applies at a particular time to a beneficiary under, or a particular person in respect of, a trust, for the purposes of sections 571 to 576.1, 578 and 579 to 583, paragraph *a* of section 597.1 and section 598, the following rules apply:

(*a*) the trust is deemed to be at that time a corporation not resident in Canada

i. controlled by each of the beneficiary and the particular person, and

ii. having, for each particular class of fixed interests in the trust, a separate class of capital stock of 100 issued shares that have the same attributes as the interests of the particular class; and

(*b*) each beneficiary under the trust is deemed to hold at that time a percentage of the number of shares of each separate class described in subparagraph ii of paragraph *a* equal to the percentage representing the proportion that the fair market value at that time of that beneficiary's fixed interests in the corresponding particular class of fixed interests in the trust is of the fair market value at that time of all fixed interests in the particular class.

"**597.9.** For the purposes of this chapter in respect of a taxpayer for a taxation year, the fair market value of interests in a trust for the purposes of sections 597.7 and 597.8 in respect of the taxpayer for the year is deemed to be equal to the fair market value determined for the year, in respect of those interests, in accordance with subsection 4 of section 94.2 of the Income Tax Act (Revised Statutes of Canada, 1985, chapter 1, 5th Supplement)."

(2) Subsection 1 applies to a taxation year that ends after 4 March 2010. However,

(1) in respect of a taxation year that ends before 11 February 2014, or in respect of a taxation year that ends after 10 February 2014 and before 1 January 2015, in relation to a trust, if no contribution is made to the trust after 10 February 2014 and before 1 January 2015 and, if the trust were to have a particular taxation year that ended after 31 December 2013 and before 11 February 2014, the trust would not be resident in Canada for the purpose of computing its income for the particular taxation year but would be resident in Canada for that purpose for that year if the definitions of "connected contributor" and "resident contributor" in the first paragraph of section 593 of the Act, enacted by paragraph 2 of subsection 2 of section 28 of this Act, were read without their subparagraphs *a*, the portion of section 597.7 of the Act before paragraph *a*, enacted by subsection 1, is to be read as follows:

"**597.7.** Section 597.8 applies to a beneficiary under a trust, and to a particular person of which such a beneficiary is a controlled foreign affiliate, at a particular time, except for a particular person who is an individual described in paragraph *a* of the definition of "connected contributor" in the first paragraph of section 593, if"; and

(2) in respect of a taxation year that ends before 24 October 2012, paragraph *c* of section 597.7 of the Act is to be read as follows:

"(*c*) the beneficiary is at that time a resident beneficiary or a mutual fund."

(3) In addition, where section 593 of the Act, enacted by section 28 of this Act, applies in respect of a trust for a taxation year of the trust that ends before 5 March 2010, Chapter VI.2 of Title X of Book III of Part I of the Act, enacted by subsection 1, applies in respect of a beneficiary under the trust and a person of which a beneficiary under the trust is a controlled foreign affiliate, for a taxation year of the beneficiary or person in which the preceding taxation year of the trust ends and, in respect of that preceding taxation year, sections 597.7 to 597.9 of the Act are to be read as follows:

"**597.7.** For the purposes of this chapter,

(*a*) "foreign trust" means a trust that is an exempt foreign trust in a taxation year (other than a trust described in any of paragraphs *a* to *g* of the definition of that expression in the first paragraph of section 593) and of which a beneficiary is, at any time in the year, a person resident in Canada, a corporation or trust with which such a person is not dealing at arm's length or a controlled foreign affiliate of such a person;

(*b*) "beneficiary" under a trust means a person who is beneficially interested in the trust.

"**597.8.** The rules provided for in this chapter apply for a taxation year of a foreign trust that is not an inter vivos trust created before 1 January 1960 by a person who at that time was not resident in Canada, a testamentary trust created because of the death of an individual before 1 January 1976, or a trust governed by a foreign retirement arrangement, if in or before that year the trust, or a corporation not resident in Canada that would be, if the trust were resident in Canada, a controlled foreign affiliate of the trust, has, otherwise than because of the repayment of a loan, acquired property, directly or indirectly in any manner whatever, from

(*a*) a particular person who

i. was the beneficiary referred to in paragraph *a* of section 597.7, was related to that beneficiary or was the uncle, aunt, nephew or niece of that beneficiary,

ii. was resident in Canada in the 18 months before the end of the year or before that person ceased to exist, as the case may be, and

iii. in the case of an individual, had before the end of the year been resident in Canada for a period of, or periods the total of which is, more than 60 months; or

(*b*) a trust or corporation that acquired the property, directly or indirectly in any manner whatever, from a particular person described in subparagraph *a* with whom it was not dealing at arm's length.

The rules also apply for a taxation year of a foreign trust where, in or before the year, all or any part of the interest of the beneficiary in the trust was acquired by the beneficiary by way of purchase, gift, succession or will from a person referred to in subparagraph *a* or *b* of the first paragraph, or by way of the exercise of a power of appointment by a person referred to in either subparagraph.

"**597.9.** For the purposes of sections 571 to 576.1, 578, 579 to 583 and 598, the following rules apply:

(*a*) the trust, with respect to any beneficiary whose beneficial interest in the trust has a fair market value that is not less than 10% of the fair market value

of all beneficial interests in the trust, is deemed to be a corporation not resident in Canada that is controlled by that beneficiary;

(*b*) the trust is deemed to be a corporation not resident in Canada having a capital stock of a single class of shares divided into 100 issued shares; and

(*c*) each beneficiary under the trust is deemed to own a percentage of such shares equal to the percentage representing the proportion that the fair market value of the beneficiary's beneficial interest in the trust is of the fair market value of all beneficial interests in the trust."

34. (1) Section 650 of the Act is amended by inserting ", the definition of "exempt foreign trust" in the first paragraph of section 593" after "of section 21.43".

(2) Subsection 1 applies to a taxation year of a trust that ends after 31 December 2006.

35. (1) Section 652 of the Act is replaced by the following section:

"**652.** For the purposes of subparagraph i.1 of paragraph *n* of section 257, sections 597.0.2 and 597.0.5, paragraph *a* of section 657 and sections 657.1.2, 663, 663.4 and 667, an amount is deemed not to have become payable to a beneficiary in a taxation year unless it was paid in the year to the beneficiary or the beneficiary was entitled to enforce payment of it in that year."

(2) Subsection 1 applies to a taxation year that ends after 31 December 2006. However, where section 652 of the Act has effect before 31 October 2006, it is to be read as follows:

"**652.** For the purposes of subparagraph i.1 of paragraph *n* of section 257, sections 597.0.2 and 597.0.5, paragraph *a* of section 657 and sections 657.1.2, 663 and 667, an amount is deemed not to have become payable to a beneficiary in a taxation year unless it was paid to him in the year or the beneficiary was entitled to demand payment of it in that year."

36. (1) Section 657 of the Act, amended by section 216 of chapter 21 of the statutes of 2015, is again amended by replacing the portion before paragraph *a* by the following:

"**657.** Subject to sections 657.1.1 to 657.2, a trust may deduct, in computing its income for a taxation year, the following amounts:".

(2) Subsection 1 applies to a taxation year that ends after 31 December 2006.

37. (1) The Act is amended by inserting the following section after section 657.1.1:

"**657.1.2.** A trust that is deemed, because of section 595, to be resident in Canada for a taxation year for the purpose of computing the trust's income for the year may not deduct, under paragraph *a* of section 657, in computing its income for the year, an amount greater than the amount determined in respect of the trust for the year in accordance with subsection 7.01 of section 104 of the Income Tax Act (Revised Statutes of Canada, 1985, chapter 1, 5th Supplement)."

(2) Subsection 1 applies to a taxation year that ends after 31 December 2006.

38. (1) Section 691.1 of the Act, amended by section 226 of chapter 21 of the statutes of 2015, is again amended by replacing the portion of paragraph *b* before subparagraph i by the following:

"(*b*) section 467 was applicable, or would have been applicable if it were read without reference to "while the transferor is resident in Canada" and if section 467.1, as it read in its application before 21 March 2013, were read without reference to its paragraph *c*.2, or section 597.0.6 was applicable, or would have been applicable if the first paragraph of that section were read without reference to its subparagraph *a*, at a particular time in respect of any property of".

(2) Subsection 1 applies in respect of a distribution made after 27 August 2010. However,

(1) where section 691.1 of the Act applies in respect of a distribution made after 27 August 2010 and before 1 November 2011, the portion of paragraph *b* of that section 691.1 before subparagraph i is to be read as follows:

"(*b*) section 467 was applicable, or would have been applicable if section 467.1 were read without reference to its paragraph *c*.2, at a particular time in respect of any property of"; or

(2) where section 691.1 of the Act applies in respect of a distribution made after 31 October 2011 in a taxation year that ends before 21 March 2013, the portion of paragraph *b* of that section 691.1 before subparagraph i is to be read as follows:

"(*b*) section 467 was applicable, or would have been applicable if it were read without reference to "while the transferor is resident in Canada" and if section 467.1 were read without reference to its paragraph *c*.2, at a particular time in respect of any property of".

39. (1) The Act is amended by inserting the following section after section 716.0.1.3, enacted by section 237 of chapter 21 of the statutes of 2015:

"**716.0.1.4.** For the purpose of determining the amount deductible under paragraph *a* of section 710 in computing the taxable income of a corporation for a taxation year, the eligible amount of a gift made by a recognized farm producer of an eligible agricultural product produced by such a producer to a registered charity that is a prescribed charity is to be increased by 1/2 of that amount.

In this section, "recognized farm producer" has the meaning that would be assigned by the definition of that expression in the first paragraph of section 752.0.10.1 if "an individual" were replaced, wherever it appears, by "a corporation", and "eligible agricultural product" has the meaning assigned by that section."

(2) Subsection 1 applies in respect of a gift made after 26 March 2015.

40. (1) Section 737.22.0.12 of the Act is amended by replacing the definition of "recognized federal program" by the following definition:

""recognized federal program" means any of the following streams of the Temporary Foreign Worker Program of the Government of Canada:

(*a*) the Seasonal Agricultural Worker Program; and

(*b*) the Agricultural Stream;".

(2) Subsection 1 applies from the taxation year 2013.

41. (1) Section 752.0.7.1 of the Act is amended by inserting the following definition in alphabetical order:

""age of eligibility", in relation to a taxation year, means

(*a*) 66 years of age, for the taxation year 2016;

(*b*) 67 years of age, for the taxation year 2017;

(*c*) 68 years of age, for the taxation year 2018;

(*d*) 69 years of age, for the taxation year 2019; and

(*e*) 70 years of age, for a taxation year subsequent to the taxation year 2019;".

(2) Subsection 1 applies from the taxation year 2016.

42. (1) Section 752.0.7.4 of the Act is amended by replacing "age of 65 years before the end of the year" in subparagraph iii of paragraphs *a* and *b* by ", before the end of the year, the age of eligibility in relation to that year".

(2) Subsection 1 applies from the taxation year 2016.

43. (1) Section 752.0.10.0.2 of the Act, amended by section 275 of chapter 21 of the statutes of 2015, is again amended

(1) by replacing paragraph *b* of the definition of "excess work income limit" by the following paragraph:

"(*b*) $4,000, for the taxation year 2015;";

(2) by adding the following paragraphs after paragraph *b* of the definition of "excess work income limit":

"(*c*) $6,000, for the taxation year 2016;

"(*d*) $8,000, for the taxation year 2017; and

"(*e*) $10,000, for a taxation year subsequent to the taxation year 2017;";

(3) by inserting the following definitions in alphabetical order:

""excess work income limit of a 63-year-old worker" applicable for a taxation year means an amount equal to

(*a*) $4,000, for the taxation year 2017; and

(*b*) $6,000, for a taxation year subsequent to the taxation year 2017;

""excess work income limit of a 64-year-old worker" applicable for a taxation year means an amount equal to

(*a*) $4,000, for the taxation year 2016;

(*b*) $6,000, for the taxation year 2017; and

(*c*) $8,000, for a taxation year subsequent to the taxation year 2017;";

(4) by striking out paragraph *c* of the definition of "excluded work income";

(5) by adding the following paragraph after paragraph *c* of the definition of "excluded work income":

"(*d*) an amount included in computing the individual's income for the year from an office or employment with an employer, where the individual does not deal at arm's length with the employer or, if the individual is employed by the members of a partnership, with any of those members;";

(6) by inserting the following definition in alphabetical order:

““reduction threshold” applicable for a taxation year means the amount referred to in subparagraph *d* of the fourth paragraph of section 750.2 that, taking into account the application of that section, is to be used for the year.”

(2) Subsection 1 has effect from 1 January 2016.

44. (1) Section 752.0.10.0.3 of the Act is amended

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

“**752.0.10.0.3.** An individual who on the last day of a taxation year or, if the individual dies in the year, on the date of the individual’s death is resident in Québec and is 63 years of age or over may, subject to the fourth paragraph, deduct from the individual’s tax otherwise payable for the year under this Part an amount determined by the formula

[A × B × (1 – C)] – (0.05 × D).”;

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

“(*b*) B is

i. for a taxation year preceding the taxation year 2016, the lesser of the excess work income limit applicable for the year and the amount by which the individual’s eligible work income for the year attributable to a period when the individual is 65 years of age or over exceeds $5,000, or

ii. for a taxation year following the taxation year 2015, the amount determined under the third paragraph;”;

(3) by adding the following subparagraph after subparagraph *c* of the second paragraph:

“(*d*) D is

i. for a taxation year preceding the taxation year 2016, zero, or

ii. for a taxation year following the taxation year 2015, the amount by which the individual’s eligible work income for the year exceeds the reduction threshold applicable for the year.”;

(4) by adding the following paragraphs:

“The amount to which subparagraph ii of subparagraph *b* of the second paragraph refers is

(*a*) where the individual is 66 years of age or over at the end of the year or, if the individual dies in the year, on the date of the individual’s death, the lesser

of the excess work income limit applicable for the year and the amount by which the individual's eligible work income for the year attributable to a period in the year when the individual is 65 years of age or over exceeds $5,000;

(*b*) where the individual is 65 years of age at the end of the year or, if the individual dies in the year, on the date of the individual's death, the lesser of the excess work income limit applicable for the year and the aggregate of

i. the lesser of the excess work income limit of a 64-year-old worker applicable for the year and the amount by which the individual's eligible work income for the year that is attributable to the period in the year throughout which the individual is 64 years of age exceeds $5,000, and

ii. the amount by which the individual's eligible work income for the year that is attributable to the period in the year throughout which the individual is 65 years of age exceeds the amount by which the individual's eligible work income for the year that is attributable to the period in the year throughout which the individual is 64 years of age exceeds $5,000;

(*c*) where the individual is 64 years of age at the end of the year or, if the individual dies in the year, on the date of the individual's death,

i. for the taxation year 2016, the lesser of the excess work income limit of a 64-year-old worker applicable for the year and the amount by which the individual's eligible work income for the year that is attributable to the period in the year throughout which the individual is 64 years of age exceeds $5,000, or

ii. for a taxation year following the taxation year 2016, the lesser of the excess work income limit of a 64-year-old worker applicable for the year and the aggregate of

(1) the lesser of the excess work income limit of a 63-year-old worker applicable for the year and the amount by which the individual's eligible work income for the year that is attributable to the period in the year throughout which the individual is 63 years of age exceeds $5,000, and

(2) the amount by which the individual's eligible work income for the year that is attributable to the period in the year throughout which the individual is 64 years of age exceeds the amount by which the individual's eligible work income for the year that is attributable to the period in the year throughout which the individual is 63 years of age exceeds $5,000; or

(*d*) where the individual is 63 years of age at the end of the year or, if the individual dies in the year, on the date of the individual's death,

i. for the taxation year 2016, zero, or

ii. for a taxation year following the taxation year 2016, the lesser of the excess work income limit of a 63-year-old worker applicable for the year and

the amount by which the individual's eligible work income for the year that is attributable to the period in the year throughout which the individual is 63 years of age exceeds $5,000.

The amount that an individual born before 1 January 1951 may deduct under this section from the individual's tax otherwise payable under this Part for a particular taxation year following the taxation year 2015 cannot be less than the amount the individual could so deduct for the particular year if subparagraphs *b* and *d* of the second paragraph were read as follows:

"(*b*) B is the lesser of the excess work income limit applicable for the taxation year 2015 and the amount by which the individual's eligible work income for the particular year attributable to a period in the year when the individual is 65 years of age or over exceeds $5,000;";

"(*d*) D is an amount equal to zero.""

(2) Subsection 1 has effect from 1 January 2016.

45. (1) Section 752.0.10.1 of the Act, amended by section 277 of chapter 21 of the statutes of 2015 and section 101 of chapter 24 of the statutes of 2015, is again amended

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

""eligible agricultural product" means a product from a recognized farming business that is included in categories of meat or meat by-products, eggs, dairy products, fish, fruits, vegetables, grains, legumes, herbs, honey, maple syrup, mushrooms, nuts or anything else that is grown, raised or harvested and may legally be sold, distributed or offered for sale at a place other than the place where it is produced as food or drink intended for human consumption;

""recognized farm producer" means an individual who carries on a recognized farming business or an individual who is a member of a partnership that carries on such a business;

""recognized farming business" means an agricultural operation registered with the Ministère de l'Agriculture, des Pêcheries et de l'Alimentation in accordance with a regulation under section 36.15 of the Act respecting the Ministère de l'Agriculture, des Pêcheries et de l'Alimentation (chapter M-14);";

(2) by inserting the following paragraph after the second paragraph:

"For the purposes of the definition of "eligible agricultural product" in the first paragraph, a processed product may be considered to be an eligible agricultural product only if the product was processed no more than to the extent necessary so that it is permitted to be legally sold, distributed or offered for sale at a place other than the place where it is produced as food or drink intended for human consumption."

(2) Subsection 1 has effect from 27 March 2015.

46. (1) The Act is amended by inserting the following section after section 752.0.10.15.5, enacted by section 292 of chapter 21 of the statutes of 2015:

"**752.0.10.15.6.** For the purposes of the definition of "total charitable gifts" of an individual for a taxation year in the first paragraph of section 752.0.10.1, the eligible amount of a gift made by a recognized farm producer of an eligible agricultural product produced by such a producer to a registered charity that is a prescribed charity is to be increased by 1/2 of that amount."

(2) Subsection 1 applies in respect of a gift made after 26 March 2015.

47. Section 752.0.25 of the Act, amended by section 107 of chapter 24 of the statutes of 2015, is again amended

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

"(*a*) where all or substantially all of the individual's income for the year, as determined under section 28, is included in computing the individual's taxable income earned in Canada for the year, determined with reference to the third paragraph, such portion of the amounts determined under sections 752.0.0.1 to 752.0.10, 752.0.10.0.5, 752.0.10.0.7 and 752.0.11 to 752.0.13.1.1, as is represented by the proportion described in the second paragraph of section 26; and";

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

"For the purposes of subparagraph *a* of the second paragraph, the taxable income earned in Canada by an individual for a taxation year is determined as if section 1090 were read for the year without reference to its second, third and fourth paragraphs and as if subparagraph *a* of the first paragraph of that section were replaced, for the year, by the following subparagraph:

"(*a*) the aggregate of the income from the duties of offices or employments performed by the individual in Canada and the income from the duties of offices or employments performed by the individual outside Canada if the individual was resident in Canada at the time the individual performed the duties;"."

48. (1) Section 752.0.27 of the Act, amended by section 108 of chapter 24 of the statutes of 2015, is again amended

(1) by replacing subparagraphs i and ii of subparagraph *b*.0.1 of the first paragraph by the following subparagraphs:

"i. the particular amount in dollars that is specified in any of the definitions of "excess work income limit", "excess work income limit of a 63-year-old worker" and "excess work income limit of a 64-year-old worker" in section 752.0.10.0.2 and that would otherwise be applicable for such a taxation year were replaced by the proportion of that particular amount that the number of days in that taxation year is of the number of days in the calendar year,

"ii. the amount of $5,000 wherever it is specified in section 752.0.10.0.3 were replaced, for the taxation year that is deemed to begin on the date of the bankruptcy, by an amount equal to the amount by which $5,000 exceeds the individual's eligible work income, within the meaning of section 752.0.10.0.2, which is determined for the taxation year that is deemed to end the day before the bankruptcy and which is attributable to a period in that year when the individual is

(1) 65 years of age or over, if the calendar year in which the individual became a bankrupt precedes the year 2016,

(2) 64 years of age or over, if the calendar year in which the individual became a bankrupt is the year 2016, or

(3) 63 years of age or over, if the calendar year in which the individual became a bankrupt follows the year 2016, and";

(2) by adding the following subparagraph after subparagraph ii of subparagraph *b*.0.1 of the first paragraph:

"iii. the particular amount of the reduction threshold, specified in subparagraph ii of subparagraph *d* of the second paragraph of section 752.0.10.0.3, that would otherwise be applicable for such a taxation year, were replaced by the proportion of that particular amount that the number of days in the taxation year is of the number of days in the calendar year; and";

(3) by replacing the third paragraph by the following paragraph:

"For the purposes of subparagraphs i and iii of subparagraph *b*.0.1 of the first paragraph in respect of each of the taxation years referred to in section 779 that end in the calendar year in which an individual becomes a bankrupt, in computing the proportion described in those subparagraphs, no account is to be taken of the days in that taxation year and that calendar year on which the individual is not at least

(*a*) 65 years of age, for a calendar year preceding the year 2016;

(*b*) 64 years of age, for the calendar year 2016; or

(*c*) 63 years of age, for a calendar year following the year 2016."

(2) Subsection 1 has effect from 1 January 2016.

49. (1) Section 769 of the Act is amended by inserting the following paragraph after paragraph *d*:

"(*d*.1) was not a trust to which a contribution, within the meaning assigned by the first paragraph of section 593 as it reads in its application to a taxation year that ends after 31 December 2006, was made after 22 June 2000;".

(2) Subsection 1 applies to a taxation year of a trust that begins after 31 December 2002.

50. (1) Section 772.2 of the Act, amended by section 316 of chapter 21 of the statutes of 2015, is again amended by replacing the definition of "tax otherwise payable" by the following definition:

""tax otherwise payable" under this Part by a taxpayer for a taxation year means the tax payable by the taxpayer for the year under this Part, computed without reference to this chapter, sections 766.2 to 766.3, 767, 772.13.2, 776 to 776.1.26, 776.17, 1183 and 1184, subparagraphs i and ii.1 of paragraph *h* of subsection 1 of section 771, subparagraphs i and iii of paragraph *j* of that subsection 1 and subparagraphs i and ii of paragraph *j*.1 of that subsection 1, and, in paragraphs *d*.2 and *d*.3 of that subsection 1, the deduction provided for in respect of a Canadian-controlled private corporation;".

(2) Subsection 1 has effect from 27 March 2015.

51. (1) Section 772.5.4 of the Act is amended by replacing paragraph *a* by the following paragraph:

"(*a*) sections 83.0.4, 83.0.5, 106.5, 106.6, 281 to 283 and 428 to 451, Chapter I of Title I.1 of Book VI, Title I.2 of Book VI, sections 832.1 and 851.22.15, paragraph *b* of section 851.22.23 and sections 851.22.23.1, 851.22.23.2 and 999.1 do not apply to deem a disposition or acquisition of property to have been made;".

(2) Subsection 1 applies in respect of a disposition or acquisition that occurs after 31 December 1998. However, where section 772.5.4 of the Act applies in respect of a disposition or an acquisition that occurs before 28 June 1999, it is to be read as if "83.0.4, 83.0.5, 106.5, 106.6," in paragraph *a* were struck out.

52. (1) Section 776.1.5.0.16 of the Act is amended, in the first paragraph,

(1) by replacing "Québec" in paragraph *e* of the definition of "recognized diploma" by "Canada";

(2) by inserting the following paragraph after paragraph *e* of the definition of "recognized diploma":

"(*e*.1) any of the following diplomas awarded by an educational institution situated outside Québec but in Canada:

i. a diploma that is considered, following a comparative assessment carried out by the Minister of Immigration and Cultural Communities before 1 July 2015, to be comparable to one of the diplomas referred to in paragraphs *a* to *c*,

ii. a diploma that, as certified in writing by the educational institution, is comparable to one of the diplomas referred to in paragraphs *a* to *c*, or

iii. an undergraduate or graduate diploma or degree awarded by a university; or";

(3) by replacing paragraphs *a* and *b* of the definition of "recognized post-secondary diploma" by the following paragraphs:

"(*a*) a diploma referred to in any of paragraphs *b* to *d* and *f* of the definition of "recognized diploma" or in subparagraph iii of paragraph *e*.1 of that definition; or

"(*b*) a diploma that is considered, under paragraph *e* of the definition of "recognized diploma" or subparagraph i or ii of paragraph *e*.1 of that definition, to be comparable to one of the diplomas referred to in paragraphs *b* to *d* of that definition;".

(2) Subsection 1 applies from the taxation year 2015.

53. (1) The Act is amended by inserting the following after section 776.1.18:

"**TITLE III.4**

"TAX CREDIT FOR THE DEVELOPMENT OF E-BUSINESS

"**776.1.19.** In this Title, "unused portion of the tax credit" of a corporation for a taxation year means the amount by which the maximum amount that the corporation could deduct under section 776.1.20 for the taxation year if it had sufficient tax payable under this Part for the taxation year exceeds the tax payable by the corporation for the taxation year under this Part, determined before the application of that section and the second paragraph of section 776.1.21.

"**776.1.20.** A corporation that is a qualified corporation for the purposes of Division II.6.0.1.9 of Chapter III.1 of Title III of Book IX, for a taxation year, may deduct from its tax payable under this Part for the taxation year, determined before the application of this section and the second paragraph of section 776.1.21, an amount equal to 6% of the aggregate of all amounts each of which is wages, for the purposes of that Division II.6.0.1.9, that it incurred in the year and after 26 March 2015, and in respect of which the corporation

is deemed to have paid an amount to the Minister for the year under that Division II.6.0.1.9.

"**776.1.21.** A corporation may deduct, for a taxation year in respect of which the corporation is deemed to have paid an amount to the Minister under Division II.6.0.1.9 of Chapter III.1 of Title III of Book IX, from its tax payable under this Part, determined before the application of this Title, the unused portions of the tax credit of the corporation for the 20 taxation years that precede that taxation year.

Similarly, a corporation may deduct, for a taxation year that ended after 26 March 2015 and in respect of which the corporation is deemed to have paid an amount to the Minister under Division II.6.0.1.9 of Chapter III.1 of Title III of Book IX, from its tax payable under this Part, determined before the application of this paragraph, the unused portions of the tax credit of the corporation for the three taxation years that follow that taxation year.

"**776.1.22.** No amount is deductible under section 776.1.21 in respect of an unused portion of the tax credit for a taxation year until the unused portions of the tax credit for the preceding taxation years that are deductible have been deducted.

In addition, an unused portion of the tax credit may be deducted for a taxation year under section 776.1.21 only to the extent that it exceeds the aggregate of the amounts deducted in its respect for the preceding taxation years under that section.

"**776.1.23.** For the purpose of computing the amount that a corporation may deduct under section 776.1.21 for a particular taxation year in respect of the unused portion of the tax credit of the corporation for a particular preceding taxation year, that unused portion of the tax credit of the corporation, otherwise determined, is to be reduced by the amount determined under the second paragraph if, in the particular taxation year or a preceding taxation year, an amount relating to wages included in computing the qualified wages, for the purposes of Division II.6.0.1.9 of Chapter III.1 of Title III of Book IX, paid by the corporation to an individual for the particular preceding taxation year, other than an amount described in subparagraph i or ii of paragraph *b* of the definition of "qualified wages" in the first paragraph of section 1029.8.36.0.3.79, is

(*a*) directly or indirectly refunded or otherwise paid to the corporation or allocated to a payment to be made by the corporation; or

(*b*) obtained by a person or a partnership.

The amount to which the first paragraph refers is the amount by which the maximum amount that the corporation could have deducted under section 776.1.20 for the particular preceding taxation year if it had had sufficient tax payable under this Part for that taxation year exceeds the aggregate of

(*a*) the maximum amount that the corporation could have deducted under that section for the particular preceding taxation year if it had had sufficient tax payable under this Part for that taxation year and if, for the purposes of paragraph *b* of the definition of "qualified wages" in the first paragraph of section 1029.8.36.0.3.79,

i. any amount referred to in the first paragraph in relation to wages included in computing the qualified wages paid by the corporation to an individual for the particular preceding taxation year that is received or obtained at or before the end of the particular taxation year, had been received or obtained in the particular preceding taxation year, and

ii. any amount referred to in the first paragraph of section 776.1.24 in relation to wages included in computing the qualified wages paid by the corporation to an individual for the particular preceding taxation year that is paid or deemed to be paid under section 776.1.25 at or before the end of the particular taxation year, had been paid or deemed to be paid in the particular preceding taxation year; and

(*b*) any portion—that may reasonably be considered as relating to wages included in computing the qualified wages paid by the corporation to an individual for the particular preceding taxation year—of the aggregate of all amounts each of which is a tax that the corporation is required to pay to the Minister under section 1129.27.20 for the particular taxation year or a preceding taxation year.

For the purpose of computing the amount that the corporation may deduct under section 776.1.21 for the particular taxation year in respect of the unused portion of the tax credit of the corporation for a taxation year other than the particular preceding taxation year, the corporation is deemed to have deducted under that section for the taxation years preceding the particular taxation year in respect of the unused portions of the tax credit of the corporation for the taxation years other than the particular preceding taxation year that are deductible for the particular taxation year, in addition to any other amount deducted or deemed to be deducted, an amount equal to the amount by which the amount determined under the second paragraph exceeds the amount by which the unused portion of the tax credit of the corporation for the particular preceding taxation year, determined before the application of this section and section 776.1.24, exceeds the aggregate of the amounts deducted by the corporation under section 776.1.21 for the taxation years preceding the particular taxation year in respect of that unused portion of the tax credit of the corporation.

"**776.1.24.** For the purpose of computing the amount that a corporation may deduct under section 776.1.21 for a particular taxation year in respect of the unused portion of the tax credit of the corporation for a particular preceding taxation year, that unused portion of the tax credit of the corporation, otherwise determined, is to be increased by the amount determined under the second paragraph if, in the particular taxation year or a preceding taxation year, an

amount relating to wages included in computing the qualified wages, for the purposes of Division II.6.0.1.9 of Chapter III.1 of Title III of Book IX, paid by the corporation to an individual for the particular preceding taxation year, described in subparagraph i or ii of paragraph *b* of the definition of "qualified wages" in the first paragraph of section 1029.8.36.0.3.79 or in subparagraph *a* or *b* of the first paragraph of section 776.1.23, is, pursuant to a legal obligation,

(*a*) paid by the corporation, and may reasonably be considered as the repayment of an amount attributable to the qualified wages that is referred to in that subparagraph i or that subparagraph *a*; or

(*b*) paid by a person or a partnership, and may reasonably be considered as the repayment of an amount attributable to the qualified wages that is referred to in that subparagraph ii or subparagraph *b* of the first paragraph of section 776.1.23.

The amount to which the first paragraph refers is the amount by which the maximum amount that the corporation could have deducted under section 776.1.20 for the particular preceding taxation year if it had had sufficient tax payable under this Part for that taxation year is exceeded by the aggregate of

(*a*) the maximum amount that the corporation could have deducted under that section for the particular preceding taxation year if it had had sufficient tax payable under this Part for that taxation year and if, for the purposes of paragraph *b* of the definition of "qualified wages" in the first paragraph of section 1029.8.36.0.3.79,

i. any amount referred to in the first paragraph in relation to wages included in computing the qualified wages paid by the corporation to an individual for the particular preceding taxation year that is paid at or before the end of the particular taxation year had been paid in the particular preceding taxation year, and

ii. any amount referred to in the first paragraph of section 776.1.23 in relation to wages included in computing the qualified wages paid by the corporation to an individual for the particular preceding taxation year that is received or obtained at or before the end of the particular taxation year, had been received or obtained in the particular preceding taxation year; and

(*b*) any portion—that may reasonably be considered as relating to wages included in computing the qualified wages paid by the corporation to an individual for the particular preceding taxation year—of the aggregate of all amounts each of which is a tax that the corporation is required to pay to the Minister under section 1129.27.20 for a taxation year preceding the particular taxation year.

For the purpose of computing the amount that the corporation may deduct under section 776.1.21 for the particular taxation year in respect of the unused portion of the tax credit of the corporation for a taxation year other than the particular preceding taxation year, the corporation shall also take into account

the amount by which the unused portion of the tax credit of the corporation for the particular preceding taxation year is to be increased under the first paragraph.

"**776.1.25.** For the purposes of section 776.1.24, an amount attributable to qualified wages, for the purposes of Division II.6.0.1.9 of Chapter III.1 of Title III of Book IX, paid by a corporation to an individual for a preceding taxation year, described in subparagraph i or ii of paragraph *b* of the definition of "qualified wages" in the first paragraph of section 1029.8.36.0.3.79, is deemed to be repaid by a corporation, person or partnership, as the case may be, in a particular taxation year, pursuant to a legal obligation, if that amount

(*a*) is described in that subparagraph i or ii in relation to those qualified wages;

(*b*) in the case of an amount described in that subparagraph i, was not received by the corporation;

(*c*) in the case of an amount described in that subparagraph ii, was not obtained by the person or partnership; and

(*d*) ceased, in the particular taxation year, to be an amount that the corporation, person or partnership may reasonably expect to receive or obtain.

"**776.1.26.** For the purposes of this Part, an amount deducted by a corporation under this Title in computing its tax payable under this Part for a preceding taxation year in respect of an expenditure made in a taxation year preceding a particular taxation year is to be considered as received by the corporation in the particular taxation year, to the extent that the amount is not considered, under this section, as received by the corporation in a taxation year preceding the particular taxation year."

(2) Subsection 1 has effect from 27 March 2015.

54. Section 776.41.8 of the Act is amended

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

"However, where all or substantially all of the individual's income for the year, as determined under section 28, is included in computing the individual's taxable income earned in Canada for the year, determined with reference to the third paragraph, the individual may deduct, in computing the individual's tax otherwise payable for the year under this Part, such portion of the amount, as determined under section 776.41.5, that is the proportion referred to in the second paragraph of section 26.";

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

"For the purposes of the second paragraph, the taxable income earned in Canada by an individual for a taxation year is determined as if section 1090 were read for the year without reference to its second, third and fourth paragraphs and as if subparagraph *a* of the first paragraph of that section were replaced, for the year, by the following subparagraph:

"(*a*) the aggregate of the income from the duties of offices or employments performed by the individual in Canada and the income from the duties of offices or employments performed by the individual outside Canada if the individual was resident in Canada at the time the individual performed the duties;"."

55. (1) Section 776.41.14 of the Act is amended by replacing subparagraph ii of subparagraph *b* of the second paragraph by the following subparagraph:

"ii. the aggregate of all amounts each of which has been paid, in the year, to the eligible student in respect of an amount deemed under section 1029.8.116.16 to be an overpayment of the eligible student's tax payable or of another individual's tax payable; and".

(2) Subsection 1 applies from the taxation year 2015.

56. Section 776.41.18 of the Act is amended

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

"However, an individual all or substantially all of whose income for the year, determined under section 28, is included in computing the individual's taxable income earned in Canada for the year, determined with reference to the third paragraph, may deduct, from the individual's tax otherwise payable for the year under this Part, the portion of the amount, determined under section 776.41.14, that is the proportion referred to in the second paragraph of section 26.";

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

"For the purposes of the second paragraph, the taxable income earned in Canada by an individual for a taxation year is determined as if section 1090 were read for the year without reference to its second, third and fourth paragraphs and as if subparagraph *a* of the first paragraph of that section were replaced, for the year, by the following subparagraph:

"(*a*) the aggregate of the income from the duties of offices or employments performed by the individual in Canada and the income from the duties of offices or employments performed by the individual outside Canada if the individual was resident in Canada at the time the individual performed the duties;"."

57. Section 776.41.24 of the Act is amended

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

"However, an individual all or substantially all of whose income for the year, determined under section 28, is included in computing the individual's taxable income earned in Canada for the year, determined with reference to the third paragraph, may deduct, from the individual's tax otherwise payable for the year under this Part, the portion of the amount, determined under section 776.41.21, that is the proportion referred to in the second paragraph of section 26.";

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

"For the purposes of the second paragraph, the taxable income earned in Canada by an individual for a taxation year is determined as if section 1090 were read for the year without reference to its second, third and fourth paragraphs and as if subparagraph *a* of the first paragraph of that section were replaced, for the year, by the following subparagraph:

"(*a*) the aggregate of the income from the duties of offices or employments performed by the individual in Canada and the income from the duties of offices or employments performed by the individual outside Canada if the individual was resident in Canada at the time the individual performed the duties;"."

58. (1) The Act is amended by inserting the following section after section 785.1:

"**785.1.1.** Paragraph *b* of section 785.1 does not apply, at a time in a trust's taxation year, to the trust if the trust is resident in Canada for the year for the purpose of computing its income."

(2) Subsection 1 applies to a taxation year that ends after 31 December 2006.

59. Section 785.2.1 of the Act is amended by replacing paragraph *a* by the following paragraph:

"(*a*) the individual's tax payable under this Part for the year, determined without reference to the specified tax consequences for the year, section 313.11 and Chapter II.1 of Title VI of Book III, but with reference to the amount that the individual could deduct from the individual's tax otherwise payable for the year under section 776.41.5 if the individual's eligible spouse for the year were not required to include an amount in computing income for the year under section 313.11; and".

60. (1) Section 785.4 of the Act is amended

(1) by replacing paragraph *c* of the definition of "qualifying exchange" in the first paragraph by the following paragraph:

"(*c*) the funds make a valid election under paragraph *c* of the definition of "qualifying exchange" in subsection 1 of section 132.2 of the Income Tax Act (Revised Statutes of Canada, 1985, chapter 1, 5th Supplement) in respect of the transfer;";

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

""first post-exchange year" of a fund in respect of a qualifying exchange means the fund's taxation year that begins immediately after the acquisition time;";

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

"Where this Title applies in respect of a transfer, the prescribed form along with a copy of every document sent to the Minister of National Revenue in respect of the transfer, in connection with the election referred to in paragraph *c* of the definition of "qualifying exchange" in the first paragraph, must be sent to the Minister on or before the last day of the six-month period following the end of the transferor's taxation year that includes the due date of the election in respect of the transfer, within the meaning of subsection 6 of section 132.2 of the Income Tax Act, or, if it is later, the last day of the two-month period following the end of such a taxation year of the transferee."

(2) Paragraph 1 of subsection 1 applies in respect of a transfer that occurs after 30 June 1994.

(3) Paragraphs 2 and 3 of subsection 1 apply in respect of a qualifying exchange that occurs after 31 December 1998.

(4) If a valid election has been made under paragraph *c* of the definition of "qualifying exchange" in subsection 2 of section 132.2 of the Income Tax Act (Revised Statutes of Canada, 1985, chapter 1, 5th Supplement), Title I.2 of Book VI of Part I of the Taxation Act, as amended from time to time, applies to the transfer.

61. (1) The Act is amended by inserting the following section after section 785.4:

"**785.4.1.** In respect of a qualifying exchange, a time referred to in the following list immediately follows the time that precedes it in the list:

(*a*) the transfer time;

(*b*) the first intervening time;

(*c*) the acquisition time;

(*d*) the beginning of the funds' first post-exchange years;

(*e*) the depreciables disposition time;

(*f*) the second intervening time; and

(*g*) the depreciables acquisition time."

(2) Subsection 1 applies in respect of a qualifying exchange that occurs after 31 December 1998.

62. (1) Section 785.5 of the Act is replaced by the following section:

"**785.5.** The following rules apply in respect of a qualifying exchange:

(*a*) each property of a fund (other than property disposed of by the transferor to the transferee at the transfer time and depreciable property) is deemed to have been disposed of, and to have been reacquired, by the fund at the first intervening time, for an amount equal to the lesser of

i. the fair market value of the property at the transfer time, and

ii. the greater of

(1) its cost amount, and

(2) the amount that the fund designates in respect of the property in a notification sent to the Minister and accompanied by the prescribed form relating to the qualifying exchange filed pursuant to the second paragraph of section 785.4;

(*b*) subject to paragraph *k*, the last taxation years of the funds that began before the transfer time are deemed to have ended at the acquisition time, and their first post-exchange years are deemed to have begun immediately after those last taxation years ended;

(*c*) each depreciable property of a fund (other than property to which section 785.5.2 applies and property to which paragraph *d* would, but for this paragraph, apply) is deemed to have been disposed of, and to have been reacquired, by the fund at the second intervening time, for an amount equal to the lesser of

i. the fair market value of the property at the depreciables disposition time, and

ii. the greater of

(1) the lesser of the property's capital cost and its cost amount to the disposing fund at the depreciables disposition time, and

(2) the amount that the fund designates in respect of the property in a notification sent to the Minister and accompanied by the prescribed form relating to the qualifying exchange filed pursuant to the second paragraph of section 785.4;

(*d*) where at the second intervening time the undepreciated capital cost to a fund of depreciable property of a prescribed class exceeds the fair market value of all the property of that class, the excess is to be deducted in computing the fund's income for the taxation year that includes the transfer time and is deemed to have been allowed as depreciation in respect of property of that class under paragraph *a* of section 130;

(*e*) the transferor's cost of any particular property received by the transferor from the transferee as consideration for the disposition of property is deemed to be

i. nil, where the particular property is a unit of the transferee, and

ii. the particular property's fair market value at the transfer time, in any other case;

(*f*) the transferor's proceeds of disposition of any units of the transferee that were disposed of by the transferor at a particular time that is within 60 days after the transfer time in exchange for shares of the transferor are deemed to be equal to the cost amount of the units to the transferor immediately before the particular time;

(*g*) where, at a particular time that is within 60 days after the transfer time, a taxpayer disposes of shares of the transferor to the transferor in exchange for units of the transferee,

i. the taxpayer's proceeds of disposition of the shares and the cost to the taxpayer of the units are deemed to be equal to the cost amount to the taxpayer of the shares immediately before the particular time,

ii. for the purpose of applying sections 1097, 1102 and 1102.1 in respect of the disposition, the shares are deemed to be excluded property of the taxpayer,

iii. where all of the taxpayer's shares of the transferor have been so disposed of, for the purpose of applying sections 251.1 to 251.7 in respect of the taxpayer after that disposition, the transferee is deemed to be the same entity as the transferor, and

iv. where the taxpayer is at the particular time affiliated with at least one of the two funds, those units are deemed not to be identical to the other units of the transferee, and

(1) if the taxpayer is the transferee, and the units cease to exist when the taxpayer acquires them (or when the taxpayer would but for that cessation have acquired them), the taxpayer is deemed to have acquired those units at the

particular time and to have disposed of those units immediately after the particular time for proceeds of disposition equal to the cost amount to the taxpayer of those units at the particular time, or

(2) if subparagraph 1 does not apply, for the purpose of computing any gain or loss of the taxpayer from the taxpayer's first disposition, after the particular time, of each of those units, where that disposition is a renunciation or surrender of the unit by the taxpayer for no consideration, and is not in favour of any person other than the transferee, the taxpayer's proceeds of disposition of that unit are deemed to be equal to that unit's cost amount to the taxpayer immediately before that disposition, or, in any other case, the taxpayer's proceeds of disposition of that unit are deemed to be equal to the greater of that unit's fair market value and its cost amount to the taxpayer immediately before that disposition;

(*h*) where a share to which paragraph *g* applies would, but for this paragraph, cease to be a qualified investment (within the meaning assigned by subsection 1 of any of sections 146, 146.1, 146.3, 205 and 207.01 of the Income Tax Act (Revised Statutes of Canada, 1985, chapter 1, 5th Supplement) or by section 204 of that Act) because of the qualifying exchange, the share is deemed to be a qualified investment until the earlier of the day that is 60 days after the day that includes the transfer time and the time at which it is disposed of in accordance with paragraph *g*;

(*i*) no amount in respect of a non-capital loss, net capital loss, restricted farm loss, farm loss or limited partnership loss of a fund for a taxation year that begins before the transfer time is deductible in computing the taxable income of either of the funds for a taxation year that begins after the transfer time;

(*j*) where the transferor is a mutual fund trust, for the purposes of sections 1121.1, 1121.2 and 1121.4 to 1121.6, the transferee is deemed after the transfer time to be the same mutual fund trust as, and a continuation of, the transferor;

(*k*) where the transferor is a mutual fund corporation, the following rules apply, and nothing in this paragraph affects the computation of any amount determined under this Part:

i. for the purposes of section 1118, the transferor is deemed in respect of any share disposed of in accordance with paragraph *g* to be a mutual fund corporation at the time of the disposition, and

ii. for the purposes of Part IV, the transferor's taxation year that, but for this paragraph, would include the transfer time is deemed to have ended immediately before the transfer time; and

(*l*) subject to subparagraph i of paragraph *k*, the transferor is, despite sections 1117 and 1120, deemed to be neither a mutual fund corporation nor a mutual fund trust for a taxation year that begins after the transfer time."

(2) Subsection 1 applies in respect of a qualifying exchange that occurs after 31 December 1998. However,

(1) where a qualifying exchange occurred before 18 July 2005 and the transferee filed a fiscal return before that day, for any taxation year, that identified the realization of any loss that would not have been realized if paragraphs *f* and *g* of section 785.5 of the Act, as enacted by subsection 1, had applied in respect of the qualifying exchange, those paragraphs, in respect of the qualifying exchange, are to be read as follows:

"(*f*) the transferor's proceeds of disposition of any units of the transferee that were received by the transferor as consideration for the disposition of the property, and that were disposed of by the transferor within 60 days after the transfer time in exchange for shares of the transferor, are deemed to be nil;

"(*g*) where, within 60 days after the transfer time, a taxpayer disposes of shares of the transferor to the transferor in exchange for units of the transferee,

i. the taxpayer's proceeds of disposition of the shares and the cost to the taxpayer of the units are deemed to be equal to the cost amount to the taxpayer of the shares immediately before the transfer time,

ii. for the purpose of applying sections 1097, 1102 and 1102.1 in respect of the disposition, the shares are deemed to be excluded property of the taxpayer, and

iii. where all of the taxpayer's shares of the transferor have been so disposed of, for the purpose of applying sections 251.1 to 251.7 in respect of the taxpayer after that disposition, the transferee is deemed to be the same entity as the transferor;";

(2) where section 785.5 of the Act applies before the taxation year 2008, paragraph *h* of that section is to be read as follows:

"(*h*) where a share to which paragraph *g* applies would, but for this paragraph, cease to be a qualified investment (within the meaning assigned by subsection 1 of any of sections 146, 146.1 and 146.3 of the Income Tax Act (Revised Statutes of Canada, 1985, chapter 1, 5th Supplement) or by section 204 of that Act) because of the qualifying exchange, the share is deemed to be a qualified investment until the earlier of the day that is 60 days after the transfer time and the time at which it is disposed of in accordance with paragraph *g*;"; and

(3) where section 785.5 of the Act applies to the taxation year 2008, paragraph *h* of that section is to be read as follows:

"(*h*) where a share to which paragraph *g* applies would, but for this paragraph, cease to be a qualified investment (within the meaning assigned by subsection 1 of any of sections 146, 146.1, 146.3 and 205 of the Income Tax Act (Revised Statutes of Canada, 1985, chapter 1, 5th Supplement) or by

section 204 of that Act) because of the qualifying exchange, the share is deemed to be a qualified investment until the earlier of the day that is 60 days after the transfer time and the time at which it is disposed of in accordance with paragraph *g*;".

(3) In addition, where section 785.5 of the Act applies in respect of a qualifying exchange that occurred after 30 June 1994 and before 1 January 1999, it is to be read as if the following paragraph were inserted after paragraph *j*:

"(*j*.1) where shares of the transferor have been disposed of by a taxpayer to the transferor in exchange for units of the transferee within 60 days after the transfer time, for the purpose of applying sections 1097, 1102 and 1102.1 in respect of the disposition, the shares are deemed to be excluded property of the taxpayer;".

63. (1) The Act is amended by inserting the following sections after section 785.5:

"**785.5.1.** Where a transferor transfers a property, other than a depreciable property, to a transferee in a qualifying exchange, the following rules apply:

(*a*) the transferee is deemed to have acquired the property at the acquisition time and not to have acquired the property at the transfer time; and

(*b*) the transferor's proceeds of disposition of the property and the transferee's cost of the property are deemed to be equal to the amount described in the first paragraph of section 785.6.

"**785.5.2.** Where a transferor transfers a depreciable property to a transferee in a qualifying exchange, the following rules apply:

(*a*) the transferor is deemed to have disposed of the property at the depreciables disposition time, and not to have disposed of the property at the transfer time;

(*b*) the transferee is deemed to have acquired the property at the depreciables acquisition time, and not to have acquired the property at the transfer time;

(*c*) the transferor's proceeds of disposition of the property and the transferee's cost of the property are deemed to be equal to the amount described in the first paragraph of section 785.6; and

(*d*) where the property's capital cost to the transferor exceeds the transferor's proceeds of disposition of the property determined in accordance with the first paragraph of section 785.6, for the purposes of sections 93 to 104, sections 130 and 130.1 and any regulations made under paragraph *a* of section 130 or section 130.1,

i. the property's capital cost to the transferee is deemed to be equal to the amount that was its capital cost to the transferor, and

ii. the excess is deemed to have been allowed to the transferee in respect of the property as depreciation under paragraph *a* of section 130 in computing the transferee's income for a taxation year that ended before the transfer time."

(2) Subsection 1 applies in respect of a qualifying exchange that occurs after 31 December 1998.

64. (1) Section 785.6 of the Act is amended

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

"**785.6.** The amount to which paragraph *b* of section 785.5.1 and paragraph *c* of section 785.5.2 refer is,

(*a*) in the case of a property referred to in section 785.5.1, the amount established as proceeds of disposition of the property to the transferor and the cost of the property to the transferee under paragraph *b* of subsection 4 of section 132.2 of the Income Tax Act (Revised Statutes of Canada, 1985, chapter 1, 5th Supplement), except where subparagraph *b* applies;";

(2) by inserting the following subparagraph after subparagraph *a* of the first paragraph:

"(*a*.1) in the case of a property referred to in section 785.5.2, the amount established as proceeds of disposition of the property to the transferor and the cost of the property to the transferee under paragraph *c* of subsection 5 of section 132.2 of the Income Tax Act, except where subparagraph *b* applies; or";

(3) by replacing subparagraph 1 of subparagraph ii of subparagraph *b* of the first paragraph by the following subparagraph:

"(1) the cost amount to the transferor of the property at the transfer time or, where the property is depreciable property, the lesser of its capital cost and its cost amount to the transferor immediately before the depreciables disposition time,";

(4) by replacing "in subparagraph *a*" in the third paragraph by "in subparagraph *a* or *a*.1".

(2) Subsection 1 applies in respect of a qualifying exchange that occurs after 31 December 1998.

65. (1) Section 985 of the Act is amended by replacing subparagraph *g* of the first paragraph by the following subparagraph:

"(*g*) subject to sections 985.0.1 and 985.0.2, a corporation all of the capital, property or shares (other than directors' qualifying shares) of which is owned by one or more entities (in this subparagraph referred to as "qualifying owners") each of which is, for the period, another corporation, a commission or an association to which subparagraph *f* applies, a corporation to which this subparagraph applies, a municipality in Canada, or a municipal or public body performing a function of government in Canada, where not more than 10% of the corporation's income for the period is from activities carried on outside

i. if subparagraph *f* applies to a qualifying owner, the geographical boundaries of the territory of the municipality or municipal or public body referred to in subparagraph *f* where it applies to each such qualifying owner,

ii. if this subparagraph applies to a qualifying owner, the geographical boundaries of the territory of a municipality or municipal or public body referred to in subparagraph iii or subparagraph *f*, as the case may be, where it applies to each such qualifying owner, and

iii. if a qualifying owner is a municipality in Canada, or a municipal or public body performing a function of government in Canada, the geographical boundaries of the territory of the municipality or municipal or public body."

(2) Subsection 1 applies to a taxation year that ends after 30 April 2004.

66. (1) The Act is amended by inserting the following section after section 985.0.0.1:

"**985.0.0.2.** If there is an amalgamation (within the meaning assigned by subsections 1 and 2 of section 544) of a particular corporation and one or more other corporations, each of which is a subsidiary wholly-owned corporation of the particular corporation, and immediately before the amalgamation, the particular corporation is a person to which section 985 does not apply because of section 985.0.0.1, the new corporation is deemed, for the purposes of section 985.0.0.1, to be the same corporation as the particular corporation."

(2) Subsection 1 applies in respect of an amalgamation that occurs after 4 October 2004.

67. (1) Section 998 of the Act, amended by section 355 of chapter 21 of the statutes of 2015, is again amended by replacing paragraph *c*.2 by the following paragraph:

"(*c*.2) a corporation all of the shares, and rights to acquire shares, of the capital stock of which were owned by one or more registered pension plans, by one or more trusts all the beneficiaries of which are registered pension plans, by one or more segregated fund trusts, within the meaning of subparagraph *k* of the first paragraph of section 835, all the beneficiaries of which are registered pension plans or by one or more prescribed persons, or, in the case of a corporation without share capital, all the property of which was held exclusively

for the benefit of one or more such plans and, in either case, without interruption from the later of 16 November 1978 and the date on which the corporation was incorporated, and which is a corporation that

i. was incorporated before 17 November 1978 solely for the administration of a registered pension plan or in connection with that plan, or

ii. has, without interruption from the later of 16 November 1978 and the date on which it was incorporated,

(1) limited its activities to acquiring, holding, maintaining, improving, leasing or managing capital property that is immovable property or real rights in such property — or real property or interests in such property — owned by the corporation, a registered pension plan or another corporation described in this paragraph, other than a corporation without share capital, and investing its funds in a partnership that limits its activities to acquiring, holding, maintaining, improving, leasing or managing capital property that is immovable property or real rights in such property — or real property or interests in such property — owned by the partnership,

(2) borrowed money solely for the purpose of earning income from immovable property or a real right in such property — or real property or an interest in such property, and

(3) made no investments other than investments in immovable property or a real right in such property — or real property or an interest in such property — or investments that a pension plan is permitted to make under the Pension Benefits Standards Act, 1985 (Revised Statutes of Canada, 1985, chapter 32, 2nd Supplement) or a similar law of a province,

iii. has made no investments other than investments that a pension plan is permitted to make under the Pension Benefits Standards Act, 1985 or a similar law of a province, and whose assets where at least 98% cash and investments, that has not issued bonds, notes, debentures or similar obligations or accepted deposits, and has derived at least 98% of its income for the period referred to in section 980 that is a taxation year of the corporation from, or from the disposition of, investments, or

iv. throughout the period referred to in section 980, has limited its activities to acquiring Canadian resource properties by purchase or by incurring Canadian exploration expenses or Canadian development expenses, or holding, exploring, developing, maintaining, improving, managing, operating or disposing of its Canadian resource properties, borrowed money solely for the purpose of earning income from Canadian resource properties and made no investments other than in Canadian resource properties, in property to be used in connection with Canadian resource properties acquired by purchase or by incurring Canadian exploration expenses or Canadian development expenses, in loans secured by Canadian resource properties for the purpose of acquiring, holding, exploring, developing, maintaining, improving, managing, operating or disposing of a Canadian resource property or in investments that a pension plan is permitted

to make under the Pension Benefits Standards Act, 1985 or a similar law of a province;".

(2) Subsection 1 applies to a taxation year that ends after 21 February 1994. However,

(1) where subparagraph ii of paragraph *c*.2 of section 998 of the Act applies to a taxation year that ends before 1 January 2001, it is to be read as follows:

"ii. has, without interruption from the later of 16 November 1978 and the date on which it was incorporated, limited its activities to acquiring, holding, maintaining, improving, leasing or managing capital property that is immovable property or an interest in such property owned by the corporation, a registered pension plan or another corporation described in this subparagraph, other than a corporation without share capital, borrowed money solely for the purpose of earning income from immovable property or an interest in such property, and made no investments other than investments in immovable property or an interest in such property or investments that a pension plan is permitted to make under the Pension Benefits Standards Act, 1985 (Revised Statutes of Canada, 1985, chapter 32, 2nd Supplement) or a similar law of a province,";

(2) where subparagraphs 1 to 3 of subparagraph ii of paragraph *c*.2 of section 998 of the Act apply before 26 June 2013, they are to be read as follows:

"(1) limited its activities to acquiring, holding, maintaining, improving, leasing or managing capital property that is immovable property or an interest in such property owned by the corporation, a registered pension plan or another corporation described in this paragraph, other than a corporation without share capital, and investing its funds in a partnership that limits its activities to acquiring, holding, maintaining, improving, leasing or managing capital property that is immovable property or an interest in such property owned by the partnership,

"(2) borrowed money solely for the purpose of earning income from immovable property or an interest in such property, and

"(3) made no investments other than investments in immovable property or an interest in such property or investments that a pension plan is permitted to make under the Pension Benefits Standards Act, 1985 (Revised Statutes of Canada, 1985, chapter 32, 2nd Supplement) or a similar law of a province,".

68. (1) Section 1010 of the Act, amended by section 130 of chapter 24 of the statutes of 2015, is again amended, in paragraph *a*.1 of subsection 2,

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

"i. a redetermination of the taxpayer's tax by the Minister is required in accordance with section 1012 or 1012.2 or would have been required if the taxpayer had claimed an amount under that section within the prescribed time limit,";

(2) by adding the following subparagraph after subparagraph vii:

"viii. a redetermination of the taxpayer's tax is required to give effect to the application of any of Chapters VI to VI.2 of Title X of Book III; and".

(2) Paragraph 1 of subsection 1 applies to a taxation year that begins after 30 November 1999.

(3) Paragraph 2 of subsection 1 applies to a taxation year that ends after 4 March 2010.

(4) Despite sections 1010 to 1011 of the Act, where a taxpayer has made a valid election under paragraph *b* of section 53 of the Technical Tax Amendments Act, 2012 (Statutes of Canada, 2013, chapter 34) in relation to section 34 of that Act, the Minister of Revenue shall, under Part I of the Taxation Act, make any assessments of the taxpayer's tax, interest and penalties as are necessary for any taxation year to give effect to paragraph 1 of subsection 1 and subsection 2. Sections 93.1.8 and 93.1.12 of the Tax Administration Act (chapter A-6.002) apply to such assessments, with the necessary modifications.

(5) Chapter V.2 of Title II of Book I of Part I of the Taxation Act applies in relation to an election referred to in subsection 4. For the purposes of section 21.4.7 of the Act in respect of such an election, a taxpayer is deemed to have complied with a requirement of section 21.4.6 of the Act if the taxpayer complies with it on or before 1 June 2016.

69. (1) Section 1012.1 of the Act, amended by section 359 of chapter 21 of the statutes of 2015, is again amended by inserting the following paragraph after paragraph *d*.1.0.0.1:

"(*d*.1.0.0.2) section 776.1.21 in respect of the unused portion of the tax credit, within the meaning of section 776.1.19, for a subsequent taxation year;".

(2) Subsection 1 has effect from 27 March 2015.

70. (1) The Act is amended by inserting the following section after section 1012.1.1:

"**1012.1.2.** Where section 1012 does not apply to a corporation, in relation to a particular taxation year, in respect of a particular amount referred to in paragraph *d*.1.0.0.2 of section 1012.1 relating to the unused portion of the tax credit, within the meaning of section 776.1.19, of the corporation for a subsequent taxation year but would apply to the corporation if it were read without reference to ", on or before the taxpayer's filing-due date for the subsequent taxation year in respect of that amount,", section 1012 is, in relation to the particular taxation year and in respect of the particular amount, to be read as follows:

"**1012.** If a corporation has filed for a particular taxation year the fiscal return required by section 1000 and, in a subsequent taxation year, a particular amount referred to in paragraph *d*.1.0.0.2 of section 1012.1, in respect of the unused portion of the tax credit, within the meaning of section 776.1.19, of the corporation for the subsequent taxation year is claimed as a deduction in computing the corporation's tax payable for the particular taxation year by filing with the Minister, on or before the corporation's filing-due date for the taxation year that includes the day on or before which it is required to file with the Minister the prescribed form containing prescribed information and any document issued by Investissement Québec for the purpose of determining the amount that the corporation is deemed to have paid to the Minister, in respect of the subsequent taxation year, under Division II.6.0.1.9 of Chapter III.1 of Title III, a prescribed form amending the fiscal return for the particular taxation year, the Minister shall, despite sections 1010 to 1011, for any relevant taxation year, other than a taxation year preceding the particular taxation year, redetermine the corporation's tax to take into account the particular amount so claimed as a deduction.""

(2) Subsection 1 has effect from 27 March 2015.

71. (1) The Act is amended by inserting the following section after section 1012.3:

"**1012.4.** Where a corporation has filed for a particular taxation year the fiscal return required by section 1000, the corporation is deemed to have paid an amount to the Minister under Division II.6.0.1.9 of Chapter III.1 of Title III for the particular taxation year, a document to be issued by Investissement Québec for the purpose of determining the amount that the corporation is so deemed to have paid to the Minister has been issued after the corporation's filing-due date in respect of the particular taxation year and a particular amount referred to in section 776.1.20 is claimed as a deduction in computing tax payable, by or on behalf of the corporation, for the particular taxation year by filing with the Minister, on or before the corporation's filing-due date for the taxation year that includes the day on or before which it was required to file with the Minister the prescribed form containing prescribed information and any document issued by Investissement Québec for the purpose of determining the amount that the corporation is deemed to have paid to the Minister for the particular taxation year, under that Division II.6.0.1.9, a prescribed form amending the fiscal return for the particular taxation year, the Minister shall, despite sections 1010 to 1011, redetermine the corporation's tax for the particular taxation year to take into account the particular amount so claimed as a deduction."

(2) Subsection 1 has effect from 27 March 2015.

72. (1) Section 1015 of the Act, amended by section 361 of chapter 21 of the statutes of 2015, is again amended by inserting the following subparagraph after subparagraph *e*.3 of the second paragraph:

"(*e*.4) an amount paid under a program referred to in section 313.14;".

(2) Subsection 1 has effect from 19 June 2014.

73. Section 1026.0.2 of the Act, amended by section 362 of chapter 21 of the statutes of 2015, is again amended by replacing the definition of "net tax owing" in the first paragraph by the following definition:

""net tax owing" by an individual for a taxation year means the amount by which the amount described in the second paragraph is exceeded by the tax payable by the individual for the year under this Part and Parts III.15 and III.15.2, determined without reference to the specified tax consequences for the year, section 313.11 and Chapter II.1 of Title VI of Book III, but with reference to the amount that the individual could deduct from the individual's tax otherwise payable for the year under section 776.41.5 if the individual's eligible spouse for the year were not required to include an amount in computing income for the year under section 313.11."

74. Section 1026.3 of the Act is replaced by the following section:

"**1026.3.** For the purposes of sections 1025 and 1026, the individual's tax for the year estimated in accordance with section 1004 is to be determined without reference to section 313.11 and Chapter II.1 of Title VI of Book III, but with reference to the amount that the individual could deduct from the individual's tax otherwise payable for the year under section 776.41.5 if the individual's eligible spouse for the year were not required to include an amount in computing income for the year under section 313.11."

75. (1) Section 1029.6.0.1 of the Act, amended by section 364 of chapter 21 of the statutes of 2015, is again amended, in the first paragraph,

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

"(*a*) where, in respect of a particular expenditure or particular costs, an amount is deducted in computing a taxpayer's tax payable for a taxation year, is deemed under any of Divisions II to II.6.0.1.6, II.6.0.1.8 to II.6.2, II.6.4.2, II.6.5, II.6.5.3, II.6.5.7 and II.6.14.2 to II.6.15 to have been paid to the Minister by the taxpayer, or is deemed under section 34.1.9 of the Act respecting the Régie de l'assurance maladie du Québec (chapter R-5) to have been an overpayment to the Minister by the taxpayer, no other amount may be deemed to have been paid to the Minister by the taxpayer for any taxation year under any of those divisions, or be deemed to have been an overpayment to the Minister by the taxpayer under that section 34.1.9, in respect of all or part of a cost, an expenditure or costs included in the particular expenditure or the particular costs, except for (in the case of an amount deducted in computing a taxpayer's tax payable for a taxation year under Title III.4 of Book V) an amount deemed to have been paid by the taxpayer for the year under Division II.6.0.1.9;";

(2) by adding the following subparagraph after subparagraph *e*:

"(*f*) for the purposes of a particular division of this chapter, a particular amount included in computing an individual's income from an office or employment under Chapter II of Title II of Book III may not be taken into account in computing a particular expenditure that includes the particular amount in respect of which an amount is deemed to have been paid by a taxpayer for a taxation year under the particular division if

i. the particular expenditure is wages, within the meaning of the first paragraph of section 1029.8.36.0.3.72, or a salary or wages, within the meaning of the first paragraph of section 1029.8.33.11.11, and

ii. the particular amount is the value of a benefit that the taxpayer did not pay in currency."

(2) Paragraph 1 of subsection 1 has effect from 27 March 2015.

(3) Paragraph 2 of subsection 1 applies to a taxation year or a fiscal period of a partnership that begins after 26 March 2015.

76. (1) Section 1029.6.0.1.2 of the Act is amended

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

"**1029.6.0.1.2.** Subject to any special provisions in this chapter, a taxpayer may be deemed to have paid an amount to the Minister on account of the taxpayer's tax payable for a particular taxation year under any of Divisions II to II.6.15 (in this paragraph referred to as the "particular division"), only if the taxpayer files with the Minister the prescribed form containing prescribed information and, if applicable, a copy of each agreement, certificate, favourable advance ruling, qualification certificate, rate schedule, receipt or report the taxpayer is required to file in accordance with that division on or before the day that is 12 months after the taxpayer's filing-due date for the particular year or, if it is later, either of the following days:

(*a*) where a favourable advance ruling, which the taxpayer is required to file with the Minister in accordance with the particular division, is issued by the Société de développement des entreprises culturelles, the day that is 3 months after the date on which the ruling was given; or

(*b*) in any other case, the day that is 3 months after the date on which the certificate or qualification certificate that the taxpayer is required to file with the Minister in accordance with the particular division is issued.";

(2) by striking out the second paragraph;

(3) by replacing the third paragraph by the following paragraph:

"For the purposes of the first paragraph, a taxpayer is deemed to have filed with the Minister the prescribed form containing prescribed information and,

if applicable, a copy of the documents referred to in the first paragraph within the time limit provided for in that paragraph that applies to the taxpayer for a taxation year so as to be deemed to have paid an amount to the Minister for the year in respect of a cost, an expenditure or any costs under a provision of any of Divisions II to II.6.15 (in this paragraph referred to as the "particular provision"), if

(*a*) the taxpayer files with the Minister the prescribed form containing prescribed information and, if applicable, a copy of the documents referred to in the first paragraph after the expiry of that time limit so as to be deemed to have paid an amount to the Minister for the year in respect of the cost, expenditure or costs under the particular provision; and

(*b*) the taxpayer has filed with the Minister the prescribed form containing prescribed information and, if applicable, a copy of the documents referred to in the first paragraph within that time limit so as to be deemed to have paid an amount to the Minister for the year in respect of the cost, expenditure or costs under a provision of any of Divisions II to II.6.15 other than the particular provision."

(2) Subsection 1 applies to a taxation year that begins after 26 March 2015.

77. (1) Section 1029.6.0.1.7 of the Act is replaced by the following section:

"**1029.6.0.1.7.** For the purposes of this chapter, the following rules apply:

(*a*) a partnership is deemed, at a particular time, to be a corporation whose taxation year corresponds to the partnership's fiscal period and all the voting shares in the capital stock of which are owned at that time by each member of the partnership in a proportion equal to the agreed proportion in respect of the member for the partnership's fiscal period that includes that time; and

(*b*) a trust is deemed, at a particular time, to be a corporation all the voting shares in the capital stock of which

i. in the case of a testamentary trust under which one or more beneficiaries are entitled to receive all of the income of the trust that arose before the date of death of one or the last surviving of those beneficiaries (in this paragraph referred to as the "distribution date") and under which no other person can, before the distribution date, receive or otherwise obtain the enjoyment of any of the income or capital of the trust,

(1) are owned at that time by such a beneficiary, if that beneficiary's share of the income or capital of the trust depends on the exercise by any person of, or the failure by any person to exercise, a power to appoint, and if that time occurs before the distribution date, or

(2) are owned at that time by such a beneficiary in a proportion equal to the proportion that the fair market value of the beneficial interest in the trust of the beneficiary is of the fair market value of the beneficial interests in the trust of all the beneficiaries, if subparagraph 1 does not apply and that time occurs before the distribution date,

ii. if a beneficiary's share of the accumulating income or capital of the trust depends on the exercise by any person of, or the failure by any person to exercise, a power to appoint, are owned at that time by the beneficiary, unless subparagraph i applies and that time occurs before the distribution date,

iii. in any case where subparagraph ii does not apply, are owned at that time by the beneficiary in a proportion equal to the proportion that the fair market value of the beneficial interest in the trust of the beneficiary is of the fair market value of all beneficial interests in the trust, unless subparagraph i applies and that time occurs before the distribution date, and

iv. in the case of a trust referred to in section 467, are owned at that time by the person referred to in that section from whom property of the trust or property for which property of the trust was substituted was directly or indirectly received."

(2) Subsection 1 applies to a taxation year or a fiscal period that ends after 26 March 2015.

78. (1) The Act is amended by inserting the following section after section 1029.6.0.1.7:

"**1029.6.0.1.7.1.** Where, under a provision of this chapter, an activity, business, property or service entitles a member of a partnership to an amount deemed to have been paid to the Minister for a taxation year, for the purpose of determining such an amount under any provision of this chapter, the partnership's attributes are to be taken into account as though they were those of the member of the partnership."

(2) Subsection 1 applies to a taxation year that begins after 26 March 2015 and in which a fiscal period of a partnership ends.

79. (1) Section 1029.6.0.6 of the Act, amended by section 98 of chapter 10 of the statutes of 2013 and section 370 of chapter 21 of the statutes of 2015, is again amended by striking out subparagraphs *h*.1 to *h*.3 of the fourth paragraph.

(2) Subsection 1 applies from the taxation year 2017.

80. (1) The Act is amended by inserting the following section before section 1029.6.0.7:

"**1029.6.0.6.2.** Where the amounts listed in the second paragraph are to be used for a particular period of 12 months beginning on 1 July of a taxation year subsequent to the taxation year 2016, they are to be adjusted annually in such a manner that each amount used for the particular period is equal to the total of the amount used for the preceding 12-month period and the product obtained by multiplying that latter amount by the factor determined under section 1029.6.0.6 for the taxation year in which the particular period begins.

The amounts to which the first paragraph refers are

(*a*) the amounts of $117, $135, $283, $360, $548, $665 and $1,664, wherever they are mentioned in section 1029.8.116.16;

(*b*) the amount of $33,685 mentioned in section 1029.8.116.16; and

(*c*) the amount of $20,540 mentioned in section 1029.8.116.34."

(2) Subsection 1 applies to a period that begins after 30 June 2017.

81. (1) Section 1029.6.0.7 of the Act, amended by section 99 of chapter 10 of the statutes of 2013 and section 371 of chapter 21 of the statutes of 2015, is replaced by the following section:

"**1029.6.0.7.** If the amount that results from the adjustment provided for in section 1029.6.0.6, in respect of the amounts mentioned in subparagraphs *a*, *b*, *b*.1, *b*.3, *b*.6, *b*.7, *c* to *f*, *j*, *l* and *m* of the fourth paragraph of that section, or from the adjustment provided for in section 1029.6.0.6.2, in respect of the amounts mentioned in subparagraphs *b* and *c* of the second paragraph of that section, is not a multiple of $5, it is to be rounded to the nearest multiple of $5 or, if it is equidistant from two such multiples, to the higher multiple.

If the amount that results from the adjustment provided for in section 1029.6.0.6, in respect of the amounts mentioned in subparagraphs *a*.1, *b*.2, *b*.5, *g*, *h*, *k* and *n* of the fourth paragraph of that section, or from the adjustment provided for in section 1029.6.0.6.2, in respect of the amounts mentioned in subparagraph *a* of the second paragraph of that section, is not a multiple of $1, it is to be rounded to the nearest multiple of $1 or, if it is equidistant from two such multiples, to the higher multiple."

(2) Subsection 1 applies from the taxation year 2017.

82. (1) Section 1029.8.0.0.1 of the Act is amended by replacing the portion of the first paragraph before subparagraph *a* by the following:

"**1029.8.0.0.1.** A taxpayer may be deemed to have paid to the Minister an amount on account of the taxpayer's tax payable for a taxation year under section 1029.7 or 1029.8 in respect of an expenditure that is a portion of a consideration referred to in any of subparagraphs *c*, *e*, *g* and *i* of the first paragraph of that section, only if the taxpayer files with the Minister a return,

in the prescribed form referred to in the first paragraph of section 1029.6.0.1.2 and within the time limit provided for in that paragraph that applies to the taxpayer for the year, containing the following information:".

(2) Subsection 1 applies to a taxation year that begins after 26 March 2015.

83. (1) Section 1029.8.6 of the Act, amended by section 387 of chapter 21 of the statutes of 2015, is again amended by replacing "28%" in the portion of the first paragraph before subparagraph *a* by "14%".

(2) Subsection 1 applies in respect of an expenditure incurred after 2 December 2014 in relation to a contract entered into after that date.

84. (1) The Act is amended by inserting the following sections before section 1029.8.7:

"**1029.8.6.2.** Where the taxpayer to which section 1029.8.6 applies is a corporation that has been, throughout the taxation year referred to in that section, a corporation that is not controlled, directly or indirectly in any manner whatever, by one or more persons not resident in Canada and the assets shown in its financial statements submitted to the shareholders or, if such financial statements have not been prepared, or have not been prepared in accordance with generally accepted accounting principles, that would be shown had such financial statements been prepared in accordance with generally accepted accounting principles, for its preceding taxation year or, if the corporation is in its first fiscal period, at the beginning of its first fiscal period, were less than $75,000,000, the percentage of 14% mentioned in the first paragraph of that section is to be replaced by the percentage determined by the following formula, to the extent that it is applied to any of the amounts described in the first paragraph of section 1029.8.6 which does not exceed the expenditure limit of the corporation for the year:

$30\% - \{[(A - \$50{,}000{,}000) \times 16\%]/\$25{,}000{,}000\}$.

In the formula in the first paragraph, A is the greater of $50,000,000 and the assets of the corporation determined as provided in this division.

Where the corporation referred to in the first paragraph is a cooperative, the first paragraph is to be read as if "submitted to the shareholders" were replaced by "submitted to the members".

"**1029.8.6.3.** For the purposes of section 1029.8.6.2, in computing the assets of a corporation, the amount representing the surplus reassessment of its property and the amount of its incorporeal assets are to be subtracted, to the extent that the amount shown in their respect exceeds the expenditure made in their respect.

For the purposes of the first paragraph, where all or part of an expenditure made in respect of incorporeal assets consists of shares of the corporation's or cooperative's capital stock, all or the part of the expenditure, as the case may be, is deemed to be nil.

"**1029.8.6.4.** For the purposes of section 1029.8.6.2, the assets of a corporation that is associated in a taxation year with one or more other corporations are equal to the amount by which the aggregate of the assets of the corporation and those of each corporation associated with it, determined in accordance with sections 1029.8.6.2 and 1029.8.6.3, exceeds the aggregate of the amount of investments the corporations own in each other and the balance of accounts between the corporations.

"**1029.8.6.5.** For the purposes of sections 1029.8.6.2 to 1029.8.6.4, where a corporation or a corporation with which it is associated reduces its assets by any transaction in a taxation year and, but for that reduction, section 1029.8.6.2 would not apply to the corporation, the assets are deemed not to have been so reduced unless the Minister decides otherwise.

"**1029.8.6.6.** For the purposes of section 1029.8.6.2, the expenditure limit of a particular corporation for a taxation year equals $3,000,000, unless the particular corporation is associated in the year with one or more other corporations that are not controlled, directly or indirectly, in any manner whatever by one or more persons not resident in Canada, in which case, subject to sections 1029.8.6.7 to 1029.8.6.9, its expenditure limit for the year is nil.

"**1029.8.6.7.** Where all of the corporations that are associated with each other in a taxation year and to which section 1029.8.6.6 applies have filed with the Minister, in the prescribed form, an agreement whereby, for the purposes of section 1029.8.6.2, they allocate an amount to one or more of them for the taxation year and the amount or the aggregate of the amounts so allocated, as the case may be, equals $3,000,000, the expenditure limit for the year of each of the corporations is equal to the amount so allocated to it.

"**1029.8.6.8.** Where any of the corporations that are associated with each other in a taxation year and to which section 1029.8.6.6 applies fails to file with the Minister the agreement referred to in section 1029.8.6.7 within 30 days after notice in writing by the Minister is forwarded to any of them that such an agreement is required in determining the amount deemed to have been paid to the Minister on account of the corporation's tax payable for the year under this Part, the Minister shall, for the purposes of section 1029.8.6.2, allocate an amount to one or more of them for the year, which amount or the aggregate of which amounts, as the case may be, must be equal to $3,000,000, and in any such case the expenditure limit for the year of each of the corporations equals the amount so allocated to it.

"**1029.8.6.9.** Despite any other provision of this division, the following rules apply:

(*a*) where a corporation that is not controlled, directly or indirectly, in any manner whatever by one or more persons not resident in Canada (in this section referred to as "the first corporation") has more than one taxation year ending in the same calendar year and it is associated in two or more of those taxation years with another such corporation that has a taxation year ending in that calendar year, the expenditure limit of the first corporation for each taxation year in which it is associated with the other corporation ending in that calendar year is, subject to paragraph *b*, an amount equal to its expenditure limit for the first such taxation year determined without reference to paragraph *b*; and

(*b*) where a corporation that is not controlled, directly or indirectly, in any manner whatever by one or more persons not resident in Canada has a taxation year that is less than 51 weeks, its expenditure limit for the year is equal to that proportion of its expenditure limit for the year determined without reference to this paragraph that the number of days in the year is of 365."

(2) Subsection 1 has effect from 3 December 2014.

85. (1) Section 1029.8.7 of the Act, amended by section 388 of chapter 21 of the statutes of 2015, is again amended by replacing "28%" in the portion of the first paragraph before subparagraph *a* by "14%".

(2) Subsection 1 applies in respect of an expenditure incurred after 2 December 2014 in relation to a contract entered into after that date.

86. (1) Section 1029.8.9 of the Act is amended

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

"(*a*) the taxpayer has filed with the Minister the prescribed form containing prescribed information and, if applicable, a copy of each agreement, certificate, favourable advance ruling, qualification certificate, rate schedule, receipt or report within the time limit provided for in the first paragraph of section 1029.6.0.1.2 that applies to the taxpayer for a taxation year, so as to be deemed to have paid an amount to the Minister for the year under any of Divisions II.5.1 to II.6.15 in respect of an expenditure incurred under the contract; and";

(2) by replacing "sixth" in the sixth paragraph by "fourth".

(2) Paragraph 1 of subsection 1 applies to a taxation year that begins after 26 March 2015.

(3) Paragraph 2 of subsection 1 applies in respect of an expenditure incurred or borne after 13 March 2008 for scientific research and experimental development undertaken after that date.

87. (1) Section 1029.8.9.0.3 of the Act, amended by section 391 of chapter 21 of the statutes of 2015, is again amended by replacing "28%" in the first paragraph by "14%".

(2) Subsection 1 applies in respect of an expenditure incurred by a taxpayer after 2 December 2014 for a taxation year that begins after that date.

88. (1) The Act is amended by inserting the following sections after section 1029.8.9.0.3:

"**1029.8.9.0.3.1.** Where the taxpayer to which section 1029.8.9.0.3 applies is a corporation that has been, throughout the taxation year referred to in that section, a corporation that is not controlled, directly or indirectly in any manner whatever, by one or more persons not resident in Canada and the assets shown in its financial statements submitted to the shareholders or, if such financial statements have not been prepared, or have not been prepared in accordance with generally accepted accounting principles, that would be shown had such financial statements been prepared in accordance with generally accepted accounting principles, for its preceding taxation year or, if the corporation is in its first fiscal period, at the beginning of its first fiscal period, were less than $75,000,000, the percentage of 14% mentioned in the first paragraph of that section is to be replaced by the percentage determined by the following formula, to the extent that it is applied to the total of the amounts described in the first paragraph of section 1029.8.9.0.3 which does not exceed the expenditure limit of the corporation for the year:

30% − {[(A − $50,000,000) × 16%]/$25,000,000}.

In the formula in the first paragraph, A is the greater of $50,000,000 and the assets of the corporation determined as provided in this division.

Where the corporation referred to in the first paragraph is a cooperative, the first paragraph is to be read as if "submitted to the shareholders" were replaced by "submitted to the members".

"**1029.8.9.0.3.2.** For the purposes of section 1029.8.9.0.3.1, in computing the assets of a corporation, the amount representing the surplus reassessment of its property and the amount of its incorporeal assets are to be subtracted, to the extent that the amount shown in their respect exceeds the expenditure made in their respect.

For the purposes of the first paragraph, where all or part of an expenditure made in respect of incorporeal assets consists of shares of the corporation's or cooperative's capital stock, all or the part of the expenditure, as the case may be, is deemed to be nil.

"**1029.8.9.0.3.3.** For the purposes of section 1029.8.9.0.3.1, the assets of a corporation that is associated in a taxation year with one or more other corporations are equal to the amount by which the aggregate of the assets of the corporation and those of each corporation associated with it, determined in accordance with sections 1029.8.9.0.3.1 and 1029.8.9.0.3.2, exceeds the aggregate of the amount of investments the corporations own in each other and the balance of accounts between the corporations.

"**1029.8.9.0.3.4.** For the purposes of sections 1029.8.9.0.3.1 to 1029.8.9.0.3.3, where a corporation or a corporation with which it is associated reduces its assets by any transaction in a taxation year and, but for that reduction, section 1029.8.9.0.3.1 would not apply to the corporation, the assets are deemed not to have been so reduced unless the Minister decides otherwise.

"**1029.8.9.0.3.5.** For the purposes of section 1029.8.9.0.3.1, the expenditure limit of a particular corporation for a taxation year equals $3,000,000, unless the particular corporation is associated in the year with one or more other corporations that are not controlled, directly or indirectly, in any manner whatever by one or more persons not resident in Canada, in which case, subject to sections 1029.8.9.0.3.6 to 1029.8.9.0.3.8, its expenditure limit for the year is nil.

"**1029.8.9.0.3.6.** Where all of the corporations that are associated with each other in a taxation year and to which section 1029.8.9.0.3.5 applies have filed with the Minister, in the prescribed form, an agreement whereby, for the purposes of section 1029.8.9.0.3.1, they allocate an amount to one or more of them for the taxation year and the amount or the aggregate of the amounts so allocated, as the case may be, equals $3,000,000, the expenditure limit for the year of each of the corporations is equal to the amount so allocated to it.

"**1029.8.9.0.3.7.** Where any of the corporations that are associated with each other in a taxation year and to which section 1029.8.9.0.3.5 applies fails to file with the Minister the agreement referred to in section 1029.8.9.0.3.6 within 30 days after notice in writing by the Minister is forwarded to any of them that such an agreement is required in determining the amount deemed to have been paid to the Minister on account of the corporation's tax payable for the year under this Part, the Minister shall, for the purposes of section 1029.8.9.0.3.1, allocate an amount to one or more of them for the year, which amount or the aggregate of which amounts, as the case may be, must be equal to $3,000,000, and in any such case the expenditure limit for the year of each of the corporations equals the amount so allocated to it.

"**1029.8.9.0.3.8.** Despite any other provision of this division, the following rules apply:

(*a*) where a corporation that is not controlled, directly or indirectly, in any manner whatever by one or more persons not resident in Canada (in this section referred to as "the first corporation") has more than one taxation year ending

in the same calendar year and it is associated in two or more of those taxation years with another such corporation that has a taxation year ending in that calendar year, the expenditure limit of the first corporation for each taxation year in which it is associated with the other corporation ending in that calendar year is, subject to paragraph *b*, an amount equal to its expenditure limit for the first such taxation year determined without reference to paragraph *b*; and

(*b*) where a corporation that is not controlled, directly or indirectly, in any manner whatever by one or more persons not resident in Canada has a taxation year that is less than 51 weeks, its expenditure limit for the year is equal to that proportion of its expenditure limit for the year determined without reference to this paragraph that the number of days in the year is of 365."

(2) Subsection 1 has effect from 3 December 2014.

89. (1) Section 1029.8.9.0.4 of the Act, amended by section 392 of chapter 21 of the statutes of 2015, is again amended by replacing "28%" in the first paragraph by "14%".

(2) Subsection 1 applies in respect of an expenditure incurred by a partnership after 2 December 2014 for a fiscal period that begins after that date.

90. (1) Section 1029.8.16.1.4 of the Act, amended by section 398 of chapter 21 of the statutes of 2015, is again amended by replacing "28%" in the portion of the first paragraph before subparagraph *a* by "14%".

(2) Subsection 1 applies in respect of an expenditure incurred after 2 December 2014 in relation to an agreement entered into after that date or, if applicable, to the extension or renewal of an agreement after that date.

91. (1) The Act is amended by inserting the following sections after section 1029.8.16.1.4:

"**1029.8.16.1.4.1.** Where the taxpayer to which section 1029.8.16.1.4 applies is a corporation that has been, throughout the taxation year referred to in that section, a corporation that is not controlled, directly or indirectly in any manner whatever, by one or more persons not resident in Canada and the assets shown in its financial statements submitted to the shareholders or, if such financial statements have not been prepared, or have not been prepared in accordance with generally accepted accounting principles, that would be shown had such financial statements been prepared in accordance with generally accepted accounting principles, for its preceding taxation year or, if the corporation is in its first fiscal period, at the beginning of its first fiscal period, were less than $75,000,000, the percentage of 14% mentioned in the first paragraph of that section is to be replaced by the percentage determined by the following formula, to the extent that it is applied to the aggregate determined under the first paragraph of section 1029.8.16.1.4 which does not exceed the expenditure limit of the corporation for the year:

30% − {[(A − $50,000,000) × 16%]/$25,000,000}.

In the formula in the first paragraph, A is the greater of $50,000,000 and the assets of the corporation determined as provided in this division.

Where the corporation referred to in the first paragraph is a cooperative, the first paragraph is to be read as if "submitted to the shareholders" were replaced by "submitted to the members".

"**1029.8.16.1.4.2.** For the purposes of section 1029.8.16.1.4.1, in computing the assets of a corporation, the amount representing the surplus reassessment of its property and the amount of its incorporeal assets are to be subtracted, to the extent that the amount shown in their respect exceeds the expenditure made in their respect.

For the purposes of the first paragraph, where all or part of an expenditure made in respect of incorporeal assets consists of shares of the corporation's or cooperative's capital stock, all or the part of the expenditure, as the case may be, is deemed to be nil.

"**1029.8.16.1.4.3.** For the purposes of section 1029.8.16.1.4.1, the assets of a corporation that is associated in a taxation year with one or more other corporations are equal to the amount by which the aggregate of the assets of the corporation and those of each corporation associated with it, determined in accordance with sections 1029.8.16.1.4.1 and 1029.8.16.1.4.2, exceeds the aggregate of the amount of investments the corporations own in each other and the balance of accounts between the corporations.

"**1029.8.16.1.4.4.** For the purposes of sections 1029.8.16.1.4.1 to 1029.8.16.1.4.3, where a corporation or a corporation with which it is associated reduces its assets by any transaction in a taxation year and, but for that reduction, section 1029.8.16.1.4.1 would not apply to the corporation, the assets are deemed not to have been so reduced unless the Minister decides otherwise.

"**1029.8.16.1.4.5.** For the purposes of section 1029.8.16.1.4.1, the expenditure limit of a particular corporation for a taxation year equals $3,000,000, unless the particular corporation is associated in the year with one or more other corporations that are not controlled, directly or indirectly, in any manner whatever by one or more persons not resident in Canada, in which case, subject to sections 1029.8.16.1.4.6 to 1029.8.16.1.4.8, its expenditure limit for the year is nil.

"**1029.8.16.1.4.6.** Where all of the corporations that are associated with each other in a taxation year and to which section 1029.8.16.1.4.5 applies have filed with the Minister, in the prescribed form, an agreement whereby, for the purposes of section 1029.8.16.1.4.1, they allocate an amount to one or more of them for the taxation year and the amount or the aggregate of the amounts so allocated, as the case may be, equals $3,000,000, the expenditure

limit for the year of each of the corporations is equal to the amount so allocated to it.

"**1029.8.16.1.4.7.** Where any of the corporations that are associated with each other in a taxation year and to which section 1029.8.16.1.4.5 applies fails to file with the Minister the agreement referred to in section 1029.8.16.1.4.6 within 30 days after notice in writing by the Minister is forwarded to any of them that such an agreement is required in determining the amount deemed to have been paid to the Minister on account of the corporation's tax payable for the year under this Part, the Minister shall, for the purposes of section 1029.8.16.1.4.1, allocate an amount to one or more of them for the year, which amount or the aggregate of which amounts, as the case may be, must be equal to $3,000,000, and in any such case the expenditure limit for the year of each of the corporations equals the amount so allocated to it.

"**1029.8.16.1.4.8.** Despite any other provision of this division, the following rules apply:

(*a*) where a corporation that is not controlled, directly or indirectly, in any manner whatever by one or more persons not resident in Canada (in this section referred to as "the first corporation") has more than one taxation year ending in the same calendar year and it is associated in two or more of those taxation years with another such corporation that has a taxation year ending in that calendar year, the expenditure limit of the first corporation for each taxation year in which it is associated with the other corporation ending in that calendar year is, subject to paragraph *b*, an amount equal to its expenditure limit for the first such taxation year determined without reference to paragraph *b*; and

(*b*) where a corporation that is not controlled, directly or indirectly, in any manner whatever by one or more persons not resident in Canada has a taxation year that is less than 51 weeks, its expenditure limit for the year is equal to that proportion of its expenditure limit for the year determined without reference to this paragraph that the number of days in the year is of 365."

(2) Subsection 1 has effect from 3 December 2014.

92. (1) Section 1029.8.16.1.5 of the Act, amended by section 399 of chapter 21 of the statutes of 2015, is again amended by replacing "28%" in the portion of the first paragraph before subparagraph *a* by "14%".

(2) Subsection 1 applies in respect of an expenditure incurred after 2 December 2014 in relation to an agreement entered into after that date or, if applicable, to the extension or renewal of an agreement after that date.

93. (1) The Act is amended by replacing the heading of Division II.4 of Chapter III.1 of Title III of Book IX of Part I by the following heading:

"GOVERNMENT ASSISTANCE, NON-GOVERNMENT ASSISTANCE, CONTRACT PAYMENT AND OTHER RULES RELATING TO TAX CREDITS FOR SCIENTIFIC RESEARCH AND EXPERIMENTAL DEVELOPMENT".

(2) Subsection 1 has effect from 3 December 2014.

94. (1) The Act is amended by inserting the following heading after the heading of Division II.4 of Chapter III.1 of Title III of Book IX of Part I:

"§1. — *Interpretation*".

(2) Subsection 1 has effect from 3 December 2014.

95. (1) The Act is amended by inserting the following heading before section 1029.8.18:

"§2. — *Reduction attributable to a contract payment, government assistance or non-government assistance*".

(2) Subsection 1 has effect from 3 December 2014.

96. (1) The Act is amended by inserting the following heading after section 1029.8.18.0.1:

"§3. — *Repayment of government assistance or non-government assistance*".

(2) Subsection 1 has effect from 3 December 2014.

97. (1) The Act is amended by inserting the following heading after section 1029.8.18.3:

"§4. — *Rules relating to contributions and other similar reduction rules*".

(2) Subsection 1 has effect from 3 December 2014.

98. (1) Section 1029.8.19.2 of the Act is amended by replacing "sixth" in the fifth and sixth paragraphs by "fourth".

(2) Subsection 1 applies in respect of an expenditure incurred or borne after 13 March 2008 for scientific research and experimental development work undertaken after that date.

99. (1) The Act is amended by inserting the following after section 1029.8.19.7:

"§5. — *Expenditure exclusion threshold*

"**1029.8.19.8.** In this subdivision,

"exclusion threshold" applicable to a taxpayer for a taxation year or to a partnership for a fiscal period means the amount determined under section 1029.8.19.9 in respect of the taxpayer for the year or of the partnership for the fiscal period, as the case may be;

"reducible expenditures" of a taxpayer for a taxation year that begins after 2 December 2014 or of a partnership for a fiscal period that begins after that date means the aggregate of all amounts each of which is an expenditure incurred by the taxpayer or the partnership that is attributable to the year or the fiscal period, as the case may be, and that is

(*a*) wages referred to in subparagraph *a* of the first paragraph of section 1029.7 or 1029.8 or a portion of a consideration referred to in any of subparagraphs *b* to *i* of the first paragraph of either of those sections;

(*b*) an expenditure referred to in paragraph *d*.1 of section 1029.8.1;

(*c*) an eligible fee or an eligible fee balance within the meaning assigned to those expressions by section 1029.8.9.0.2; or

(*d*) a qualified expenditure within the meaning assigned to that expression by the first paragraph of section 1029.8.16.1.1.

For the purposes of the definition of "reducible expenditures" in the first paragraph, an expenditure incurred after 2 December 2014 under a contract or agreement entered into on or before that date in respect of scientific research and experimental development does not constitute an expenditure described in the definition of that expression.

"**1029.8.19.9.** The amount to which the definition of "exclusion threshold" in the first paragraph of section 1029.8.19.8 refers in respect of a taxpayer for a taxation year or of a partnership for a fiscal period is equal to the amount determined by the formula

$$\$50{,}000 + [\$175{,}000 \times (A - \$50{,}000{,}000)/\$25{,}000{,}000].$$

In the formula in the first paragraph, A is the lesser of $75,000,000 and the taxpayer's or the partnership's assets, as the case may be, shown in the taxpayer's or partnership's financial statements submitted, if the taxpayer is a corporation, to the shareholders or, if the taxpayer is a partnership, to the partnership's members, or, if such financial statements have not been prepared or have not been prepared in accordance with generally accepted accounting principles, that would be shown had such financial statements been prepared in accordance with generally accepted accounting principles, for the taxpayer's preceding taxation year or the partnership's preceding fiscal period, as the case may be, or, if the taxpayer or the partnership is in its first fiscal period, at the beginning of its fiscal period.

Where the taxpayer referred to in the second paragraph is a cooperative, the second paragraph is to be read as if "to the shareholders" were replaced by "to the members".

For the purposes of the second paragraph, if the assets of a taxpayer for a taxation year or of a partnership for a fiscal period is less than $50,000,000, they are deemed to be equal to $50,000,000.

"**1029.8.19.10.** In computing a taxpayer's or a partnership's assets, for the purposes of section 1029.8.19.9, the amount of the surplus reassessment of its property and the amount of its incorporeal assets are to be subtracted, to the extent that the amount designated in their respect exceeds the expenditure made in their respect.

For the purposes of the first paragraph, all or part of an expenditure made in respect of a taxpayer's or a partnership's incorporeal assets is deemed to be nil if all or part of that expenditure consists

(*a*) in the case of a taxpayer that is a corporation or a cooperative, as applicable, of a share of the taxpayer's capital stock; or

(*b*) in the case of a partnership, of an interest in the partnership.

"**1029.8.19.11.** For the purposes of section 1029.8.19.9, where a taxpayer or a partnership reduces its assets by any transaction and, but for that reduction, the exclusion threshold applicable to the taxpayer for a taxation year or to the partnership for a fiscal period would be greater, the assets are deemed not to have been so reduced unless the Minister decides otherwise.

"**1029.8.19.12.** If a taxation year of a taxpayer or a fiscal period of a partnership has fewer than 51 weeks, the amount determined under section 1029.8.19.9 in respect of the taxpayer for the year or of the partnership for the fiscal period, as the case may be, is to be replaced by the proportion of that amount that the number of days in the year or the fiscal period, as the case may be, is of 365.

"**1029.8.19.13.** For the purpose of computing the amount that a taxpayer is deemed to have paid to the Minister for a taxation year that begins after 2 December 2014, under any of sections 1029.7, 1029.8.6, 1029.8.9.0.3 and 1029.8.16.1.4 (in this section referred to as a "particular provision"), the following rules apply:

(*a*) the aggregate of all amounts each of which is the amount of wages that are, or of a portion of a consideration that is, referred to in any of subparagraphs *a* to *i* of the first paragraph of section 1029.7 and that is included in the taxpayer's reducible expenditures for the year, determined with reference to subdivisions 2, 4 and 6, is to be reduced by the lesser of the exclusion threshold applicable to the taxpayer for the year and the aggregate of those amounts for the year;

(*b*) the aggregate of all amounts each of which is the amount of an expenditure that is referred to in subparagraph *a* or *b* of the first paragraph of section 1029.8.6 and that is included in the taxpayer's reducible expenditures for the year, determined with reference to subdivisions 2, 4 and 6, is to be reduced by the lesser of the exclusion threshold applicable to the taxpayer for the year and the aggregate of those amounts for the year;

(*c*) the aggregate of all amounts each of which is the amount of an eligible fee or eligible fee balance, within the meaning assigned to those expressions by section 1029.8.9.0.2, that is included in the taxpayer's reducible expenditures for the year, determined with reference to subdivisions 2, 4 and 6, is to be reduced by the lesser of the exclusion threshold applicable to the taxpayer for the year and the aggregate of those amounts for the year;

(*d*) the aggregate of all amounts each of which is the amount of an expenditure that is referred to in any of subparagraphs *a* to *c* of the first paragraph of section 1029.8.16.1.4 and that is included in the taxpayer's reducible expenditures for the year, determined with reference to subdivisions 2, 4 and 6, is to be reduced by the lesser of the exclusion threshold applicable to the taxpayer for the year and the aggregate of those amounts for the year; and

(*e*) where the taxpayer is a corporation, the taxpayer's expenditure limit for the year, determined for the purposes of any of sections 1029.7.2, 1029.8.6.2, 1029.8.9.0.3.1 and 1029.8.16.1.4.1, is to be reduced by the amount of the reduction, determined for the year in respect of the taxpayer under any of subparagraphs *a* to *d*, that relates to that expenditure limit.

For the purposes of the first paragraph, where the amount of a taxpayer's reducible expenditures for a taxation year is greater than the exclusion threshold applicable to the taxpayer for the year and the taxpayer may be deemed, but for this subdivision, to have paid an amount to the Minister for the year under more than one particular provision, the exclusion threshold otherwise applicable to the taxpayer for the year is deemed to be equal, in relation to each particular provision, to the amount determined by the formula

$A \times B/C$.

In the formula in the second paragraph,

(*a*) A is the exclusion threshold that would otherwise be applicable to the taxpayer for the year;

(*b*) B is the aggregate of all amounts each of which is an expenditure—referred to in any of paragraphs *a* to *d* of the definition of "reducible expenditures" in the first paragraph of section 1029.8.19.8—of the taxpayer for the year in relation to the particular provision; and

(*c*) C is the taxpayer's reducible expenditures for the year.

"**1029.8.19.14.** For the purpose of computing the amount that a taxpayer that is a member of a partnership is deemed to have paid to the Minister for a taxation year in which a fiscal period of the partnership that begins after 2 December 2014 ends, under any of sections 1029.8, 1029.8.7, 1029.8.9.0.4 and 1029.8.16.1.5 (in this section referred to as a "particular provision"), the following rules apply:

(*a*) the aggregate of all amounts each of which is the amount of the taxpayer's share of wages that are, or of a portion of a consideration that is, referred to in any of subparagraphs *a* to *i* of the first paragraph of section 1029.8 and that is included in the partnership's reducible expenditures for the fiscal period, determined with reference to subdivisions 2, 4 and 6, is to be reduced by the lesser of the taxpayer's share of the exclusion threshold applicable to the partnership for the fiscal period and the aggregate of those amounts for the fiscal period;

(*b*) the aggregate of all amounts each of which is the amount of the taxpayer's share of an expenditure that is referred to in subparagraph *a* or *b* of the first paragraph of section 1029.8.7 and that is included in the partnership's reducible expenditures for the fiscal period, determined with reference to subdivisions 2, 4 and 6, is to be reduced by the lesser of the taxpayer's share of the exclusion threshold applicable to the partnership for the fiscal period and the aggregate of those amounts for the fiscal period;

(*c*) the aggregate of all amounts each of which is the amount of the taxpayer's share of an eligible fee or eligible fee balance, within the meaning assigned to those expressions by section 1029.8.9.0.2, that is included in the partnership's reducible expenditures for the fiscal period, determined with reference to subdivisions 2, 4 and 6, is to be reduced by the lesser of the taxpayer's share of the exclusion threshold applicable to the partnership for the fiscal period and the aggregate of those amounts for the fiscal period; and

(*d*) the aggregate of all amounts each of which is the amount of the taxpayer's share of an expenditure that is referred to in any of subparagraphs *a* to *c* of the first paragraph of section 1029.8.16.1.5 and that is included in the partnership's reducible expenditures for the fiscal period, determined with reference to subdivisions 2, 4 and 6, is to be reduced by the lesser of the taxpayer's share of the exclusion threshold applicable to the partnership for the fiscal period and the aggregate of those amounts for the fiscal period.

For the purposes of the first paragraph, where the amount of a partnership's reducible expenditures for a fiscal period is greater than the exclusion threshold applicable to the partnership for the fiscal period and a taxpayer that is a member of the partnership may be deemed, but for this subdivision, to have paid an amount to the Minister for the taxation year in which that fiscal period ends under more than one particular provision in relation to the partnership, the taxpayer's otherwise determined share of the exclusion threshold applicable to the partnership for the fiscal period that ends in the year is deemed to be

equal, in relation to each particular provision, to the amount determined by the formula

A × B/C.

In the formula in the second paragraph,

(*a*) A is the exclusion threshold applicable to the partnership for the fiscal period that ends in the year;

(*b*) B is the aggregate of all amounts each of which is the taxpayer's share of an expenditure—referred to in any of paragraphs *a* to *d* of the definition of "reducible expenditures" in the first paragraph of section 1029.8.19.8—of the partnership for the fiscal period that ends in the year in relation to the particular provision; and

(*c*) C is the partnership's reducible expenditures for the fiscal period that ends in the year.

For the purposes of this section, the taxpayer's share of an amount is equal to the agreed proportion of the amount in respect of the taxpayer for the partnership's fiscal period that ends in the taxpayer's taxation year.

"**1029.8.19.15.** For the purposes of sections 1029.8.19.13 and 1029.8.19.14, where the amount that reduces an aggregate described in any of subparagraphs *a* to *d* of the first paragraph of either of those sections is equal to the exclusion threshold applicable to the taxpayer for a taxation year or to a taxpayer's share of a partnership's exclusion threshold for a fiscal period that ends in a taxation year, as the case may be, the taxpayer may designate which of the taxpayer's expenditures or of the taxpayer's share of the expenditures included in the aggregate described in that subparagraph is to be reduced by all or part of the taxpayer's exclusion threshold for the year or of the taxpayer's share of the exclusion threshold applicable to the partnership for the fiscal period that ends in the year, as the case may be.

"§6. — *Various rules*".

(2) Subsection 1 has effect from 3 December 2014.

100. (1) The Act is amended by inserting the following section after section 1029.8.33.7.2:

"**1029.8.33.7.3.** For the purposes of sections 1029.8.33.6 and 1029.8.33.7 and despite section 1029.8.33.7.2, where the qualified expenditure is made in respect of an eligible trainee described in any of paragraphs *b* to *c* of the definition of "eligible trainee" in the first paragraph of section 1029.8.33.2 (in this section referred to as a "student trainee") and the conditions of the second paragraph are met, the following rules apply:

(*a*) if the eligible taxpayer referred to in section 1029.8.33.6 or 1029.8.33.7 is a qualified corporation, the percentage of 12% mentioned in the first paragraph of that section is to be replaced, in respect of that expenditure,

i. where the student trainee is an immigrant or a disabled person, by a percentage of 50%, and

ii. in any other case, by a percentage of 40%; and

(*b*) if the eligible taxpayer referred to in section 1029.8.33.6 or 1029.8.33.7 is an individual (other than a tax-exempt individual), the percentage of 12% mentioned in the first paragraph of that section is to be replaced, in respect of that expenditure,

i. where the student trainee is an immigrant or a disabled person, by a percentage of 25%, and

ii. in any other case, by a percentage of 20%.

The conditions to which the first paragraph refers are as follows:

(*a*) in the case of section 1029.8.33.6, the taxation year referred to in that section is at least the third consecutive taxation year for which the eligible taxpayer is deemed to have paid an amount to the Minister under that section in relation to a qualified expenditure made in respect of a student trainee and the qualified expenditure made in each of those consecutive taxation years is at least $2,500; and

(*b*) in the case of section 1029.8.33.7, the fiscal period referred to in that section is at least the third consecutive fiscal period in which the qualified partnership makes a qualified expenditure in respect of a student trainee and the qualified expenditure made in each of those consecutive fiscal periods is at least $2,500."

(2) Subsection 1 applies in respect of an expenditure incurred after 26 March 2015 in relation to a training period that begins after that date.

101. (1) Section 1029.8.34 of the Act, amended by section 412 of chapter 21 of the statutes of 2015 and section 135 of chapter 24 of the statutes of 2015, is again amended

(1) by replacing subparagraphs ii and iii of paragraph *b* of the definition of "labour expenditure" in the first paragraph by the following subparagraphs:

"ii. a particular corporation that has an establishment in Québec and that, at the time that portion of the remuneration is incurred, is not a corporation referred to in subparagraph iv, a corporation that holds a broadcasting licence issued by the Canadian Radio-television and Telecommunications Commission, or a corporation that is not dealing at arm's length with a corporation holding

such a licence, to the extent that that portion of the remuneration is reasonably attributable to the wages of the particular corporation's eligible employees who rendered services as part of the production of the property,

"iii. despite subparagraph ii, a particular corporation that has an establishment in Québec and that, at the time that portion of the remuneration is incurred, is not dealing at arm's length with a corporation that holds a broadcasting licence issued by the Canadian Radio-television and Telecommunications Commission, to the extent that that portion of the remuneration is reasonably attributable to the wages of the particular corporation's eligible employees who rendered services exclusively at the post-production stage of the property,";

(2) by replacing subparagraphs ii and iii of paragraph *b*.1 of the definition of "labour expenditure" in the first paragraph by the following subparagraphs:

"ii. a corporation that has an establishment in Québec and that, at the time that portion of the remuneration is incurred, is not a corporation that holds a broadcasting licence issued by the Canadian Radio-television and Telecommunications Commission, or a corporation that is not dealing at arm's length with a corporation holding such a licence, to the extent that that portion of the remuneration is reasonably attributable to services rendered as part of the production of the property,

"iii. despite subparagraph ii, a corporation that has an establishment in Québec and that, at the time that portion of the remuneration is incurred, is not dealing at arm's length with a corporation that holds a broadcasting licence issued by the Canadian Radio-television and Telecommunications Commission, to the extent that that portion of the remuneration is reasonably attributable to services rendered exclusively at the post-production stage of the property, or";

(3) by replacing subparagraphs ii and iii of paragraph *b*.2 of the definition of "labour expenditure" in the first paragraph by the following subparagraphs:

"ii. a corporation that has an establishment in Québec and that, at the time that portion of the remuneration is incurred, is not a corporation that holds a broadcasting licence issued by the Canadian Radio-television and Telecommunications Commission, or a corporation that is not dealing at arm's length with a corporation holding such a licence, to the extent that that portion of the remuneration is reasonably attributable to services rendered as part of the production of the property,

"iii. despite subparagraph ii, a corporation that has an establishment in Québec and that, at the time that portion of the remuneration is incurred, is not dealing at arm's length with a corporation that holds a broadcasting licence issued by the Canadian Radio-television and Telecommunications Commission, to the extent that that portion of the remuneration is reasonably attributable to services rendered exclusively at the post-production stage of the property, or";

(4) by replacing subparagraph 2 of subparagraph i of paragraph *a* of the definition of "qualified labour expenditure" in the first paragraph by the following subparagraph:

"(2) any repayment made in the year by the corporation, another person or a partnership, as the case may be, pursuant to a legal obligation, of any assistance that was received by the corporation, the other person or the partnership and that is referred to, in relation to the property, in subparagraph ii or in subparagraph *e* of the second paragraph in respect of a taxation year for which the corporation is a qualified corporation, or of any other assistance that was received by the corporation, the other person or the partnership and that is referred to, in relation to the property, in subparagraph i of subparagraph *c* of the first paragraph of section 1129.2, up to the product obtained by multiplying the conversion factor applicable to the property, specified in the eleventh paragraph, by the tax under Part III.1 that the corporation is required to pay in a taxation year preceding the year because of that subparagraph i in relation to that assistance, and";

(5) by replacing subparagraph 3 of subparagraph i of paragraph *a* of the definition of "qualified labour expenditure" in the first paragraph by the following subparagraph:

"(3) the amount by which the aggregate of all amounts each of which is, for a taxation year preceding the year and in respect of the property, the labour expenditure of the corporation or an amount determined under subparagraph 2, exceeds the amount by which the aggregate of all amounts each of which is a qualified labour expenditure of the corporation in respect of the property, for a taxation year that precedes the year, exceeds the product obtained by multiplying the conversion factor applicable to the property, specified in the eleventh paragraph, by the aggregate of all amounts each of which is tax that the corporation is required to pay under Part III.1 for a taxation year preceding the year by reason of subparagraph i of subparagraph *c* of the first paragraph of section 1129.2, in relation to assistance referred to in subparagraph ii, exceeds";

(6) by replacing subparagraph ii of paragraph *b* of the definition of "qualified labour expenditure" in the first paragraph by the following subparagraph:

"ii. the amount by which the aggregate of all amounts each of which is the qualified labour expenditure of the corporation in respect of the property, for a taxation year before the end of which an application for an advance ruling or, in the absence of such an application, an application for a certificate was filed in respect of that property with the Société de développement des entreprises culturelles and which precedes the year, exceeds the product obtained by multiplying the conversion factor applicable to the property, specified in the eleventh paragraph, by the aggregate of all amounts each of which is tax that the corporation is required to pay under Part III.1 in respect of the property for a taxation year preceding the year;";

(7) by replacing paragraph *a*.3 of the definition of "qualified corporation" in the first paragraph by the following paragraph:

"(*a*.3) a corporation that, at any time in the year or during the 24 months preceding the year, is not dealing at arm's length with another corporation that holds a broadcasting licence issued by the Canadian Radio-television and Telecommunications Commission unless the corporation holds, for that year, a qualification certificate issued by the Société de développement des entreprises culturelles for the purposes of this division; or";

(8) by replacing subparagraph 4 of subparagraph i of subparagraph *c*.1 of the second paragraph by the following subparagraph:

"(4) by a corporation that has an establishment in Québec and that, at the time that portion of the remuneration is incurred, is not dealing at arm's length with a corporation that holds a broadcasting licence issued by the Canadian Radio-television and Telecommunications Commission for services rendered at a stage of production of the property that is not the post-production stage,";

(9) by replacing subparagraph v of subparagraph *c*.1 of the second paragraph by the following subparagraph:

"v. the aggregate of all amounts each of which is equal to 65% of the portion of the remuneration paid to a corporation that has an establishment in Québec, that is a party to a subcontract arising from the particular contract and that, at the time that portion of the remuneration is incurred, is not dealing at arm's length with a corporation that holds a broadcasting licence issued by the Canadian Radio-television and Telecommunications Commission for services rendered at a stage of production of the property that is not the post-production stage;";

(10) by replacing the portion of the ninth paragraph before subparagraph *a* by the following:

"For the purpose of determining, for a taxation year, the qualified expenditure for services rendered outside the Montréal area and the qualified computer-aided special effects and animation expenditure of a corporation in respect of a property for which an application for an advance ruling or, in the absence of such an application, an application for a qualification certificate is filed with the Société de développement des entreprises culturelles on or before 4 June 2014 or, if the Société de développement des entreprises culturelles considers that the work on the property was sufficiently advanced on that date, on or before 31 August 2014, the following rules apply:";

(11) by striking out subparagraph *c* of the ninth paragraph;

(12) by replacing the eleventh paragraph by the following paragraph:

"For the purpose of determining the qualified labour expenditure of a corporation in respect of a property for a taxation year, the conversion factor applicable to the property is

(*a*) in the case of a property referred to in subparagraph 1 of subparagraph i of subparagraph *a* of the first paragraph of section 1029.8.35,

i. where the property is the subject of a valid certificate issued by the Société de développement des entreprises culturelles for the purposes of subparagraph *c* of the first paragraph of section 1029.8.35 and none of the amounts of assistance referred to in subparagraphs ii to viii.3 of subparagraph *c* of the second paragraph of section 1029.6.0.0.1 is granted in its respect, 100/44.72 if section 1029.8.35.1.1 applies in respect of the property or 25/11 in any other case, or

ii. where subparagraph i does not apply in respect of the property, 100/36.72 if section 1029.8.35.1.1 applies in respect of the property or 25/9 in any other case;

(*b*) in the case of a property referred to in subparagraph 1.1 of subparagraph i of subparagraph *a* of the first paragraph of section 1029.8.35,

i. where the property is the subject of a valid certificate issued by the Société de développement des entreprises culturelles for the purposes of subparagraph *c* of the first paragraph of section 1029.8.35 and none of the amounts of assistance referred to in subparagraphs ii to viii.3 of subparagraph *c* of the second paragraph of section 1029.6.0.0.1 is granted in its respect, 100/48.8 if section 1029.8.35.1.1 applies in respect of the property or 25/12 in any other case, or

ii. where subparagraph i does not apply in respect of the property, 100/40.8 if section 1029.8.35.1.1 applies in respect of the property or 5/2 in any other case;

(*c*) in the case of a property referred to in subparagraph 2 of subparagraph i of subparagraph *a* of the first paragraph of section 1029.8.35,

i. where the qualified labour expenditure in respect of which tax is required to be paid under Part III.1 in respect of the property relates to a taxation year ending before 1 January 2009, 100/39.375, or

ii. where the qualified labour expenditure in respect of which tax is required to be paid under Part III.1 in respect of the property relates to a taxation year ending after 31 December 2008, 20/11 if the property is the subject of a valid certificate issued by the Société de développement des entreprises culturelles for the purposes of subparagraph *c* of the first paragraph of section 1029.8.35 and none of the amounts of assistance referred to in subparagraphs ii to viii.3 of subparagraph *c* of the second paragraph of section 1029.6.0.0.1 is granted in its respect, or 20/9 in any other case;

(*d*) in the case of a property referred to in subparagraph 1 of subparagraph ii of subparagraph *a* of the first paragraph of section 1029.8.35,

i. where the property is the subject of a valid certificate issued by the Société de développement des entreprises culturelles for the purposes of subparagraph *c* of the first paragraph of section 1029.8.35 and none of the amounts of assistance referred to in subparagraphs ii to viii.3 of subparagraph *c* of the second paragraph of section 1029.6.0.0.1 is granted in its respect, 100/36.56 if section 1029.8.35.1.1 applies in respect of the property or 25/9 in any other case, or

ii. where subparagraph i does not apply in respect of the property, 100/28.56 if section 1029.8.35.1.1 applies in respect of the property or 25/7 in any other case;

(*e*) in the case of a property referred to in subparagraph 1.1 of subparagraph ii of subparagraph *a* of the first paragraph of section 1029.8.35,

i. where the property is the subject of a valid certificate issued by the Société de développement des entreprises culturelles for the purposes of subparagraph *c* of the first paragraph of section 1029.8.35 and none of the amounts of assistance referred to in subparagraphs ii to viii.3 of subparagraph *c* of the second paragraph of section 1029.6.0.0.1 is granted in its respect, 100/40.64 if section 1029.8.35.1.1 applies in respect of the property or 5/2 in any other case, or

ii. where subparagraph i does not apply in respect of the property, 100/32.64 if section 1029.8.35.1.1 applies in respect of the property or 25/8 in any other case; and

(*f*) in the case of a property referred to in subparagraph 2 of subparagraph ii of subparagraph *a* of the first paragraph of section 1029.8.35,

i. where the qualified labour expenditure in respect of which tax is required to be paid under Part III.1 in respect of the property relates to a taxation year ending before 1 January 2009, 100/29.1667, or

ii. where the qualified labour expenditure in respect of which tax is required to be paid under Part III.1 in respect of the property relates to a taxation year ending after 31 December 2008, 20/9 if the property is the subject of a valid certificate issued by the Société de développement des entreprises culturelles for the purposes of subparagraph *c* of the first paragraph of section 1029.8.35 and none of the amounts of assistance referred to in subparagraphs ii to viii.3 of subparagraph *c* of the second paragraph of section 1029.6.0.0.1 is granted in its respect, or 20/7 in any other case.";

(13) by striking out the twelfth paragraph.

(2) Paragraphs 1 to 3, 8 and 9 of subsection 1 apply in respect of a labour expenditure incurred in a taxation year that begins after 26 March 2015.

(3) Paragraphs 4 to 6 and 10 to 13 of subsection 1 have effect from 27 March 2015.

(4) Paragraph 7 of subsection 1 applies to a taxation year that begins after 26 March 2015.

102. (1) Section 1029.8.34.1 of the Act, enacted by section 413 of chapter 21 of the statutes of 2015, is amended by replacing the portion of the first paragraph before subparagraph *a* by the following:

"**1029.8.34.1.** Despite Chapter IV of Title II of Book I, if, at any time in a taxation year that ends before 1 March 2014 or begins after 26 March 2015, a particular corporation would, but for this paragraph, be related to another corporation holding a broadcasting licence issued by the Canadian Radio-television and Telecommunications Commission (in this section and section 1029.8.34.2 referred to as the "television broadcaster") as a consequence of the particular corporation and the television broadcaster being controlled at that time by a specified entity, within the meaning of section 1029.8.34.3, no right referred to in paragraph *b* of section 20 that is held by the specified entity in relation to shares of the capital stock of the particular corporation and the television broadcaster is to be taken into account at that time, for the purpose of determining whether the particular corporation is, at that time, not dealing at arm's length with the television broadcaster for the purposes of the following provisions:".

(2) Subsection 1 has effect from 27 March 2015.

103. (1) Section 1029.8.34.2 of the Act, enacted by section 413 of chapter 21 of the statutes of 2015, is amended by replacing the portion of the first paragraph before subparagraph *a* by the following:

"**1029.8.34.2.** Despite Chapter IV of Title II of Book I, if, at any time in a taxation year that ends before 1 March 2014 or begins after 26 March 2015, a particular corporation would, but for this paragraph, be related to a television broadcaster as a consequence of the particular corporation and the television broadcaster being controlled at that time by the same group of persons that includes one or more specified entities, within the meaning of section 1029.8.34.3, neither the shares of the capital stock of the particular corporation and the television broadcaster owned by any specified entity that is a member of that group, nor any right referred to in paragraph *b* of section 20 that is held by any specified entity that is a member of that group in relation to shares of the capital stock of the particular corporation and the television broadcaster is to be taken into account at that time, for the purpose of determining whether the particular corporation is, at that time, not dealing at arm's length with the television broadcaster for the purposes of the following provisions:".

(2) Subsection 1 has effect from 27 March 2015.

104. (1) Section 1029.8.35 of the Act, amended by section 414 of chapter 21 of the statutes of 2015 and section 136 of chapter 24 of the statutes of 2015, is again amended, in subparagraph *a* of the first paragraph,

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

"(1) where an application for an advance ruling or, in the absence of such an application, an application for a certificate is filed with the Société de développement des entreprises culturelles in respect of the property after 31 August 2014 and before 27 March 2015 or, if the Société de développement des entreprises culturelles considers that the work on the property was not sufficiently advanced on 4 June 2014, after that date and before 27 March 2015, or where an application for a favourable advance ruling or, in the absence of such an application, an application for a certificate is filed with the Société de développement des entreprises culturelles in respect of the property after 26 March 2015, if the favourable advance ruling given and the certificate issued in relation to the property specify that the property is a film adapted from a foreign format, 36%,";

(2) by inserting the following subparagraph after subparagraph 1 of subparagraph i:

"(1.1) where an application for an advance ruling or, in the absence of such an application, an application for a certificate is filed with the Société de développement des entreprises culturelles in respect of the property after 26 March 2015, if the favourable advance ruling given and the certificate issued in relation to the property do not specify that the property is a film adapted from a foreign format, 40%, or";

(3) by replacing subparagraph 1 of subparagraph ii by the following subparagraph:

"(1) where an application for an advance ruling or, in the absence of such an application, an application for a certificate is filed with the Société de développement des entreprises culturelles in respect of the property after 31 August 2014 and before 27 March 2015 or, if the Société de développement des entreprises culturelles considers that the work on the property was not sufficiently advanced on 4 June 2014, after that date and before 27 March 2015, or where an application for a favourable advance ruling or, in the absence of such an application, an application for a certificate is filed with the Société de développement des entreprises culturelles in respect of the property after 26 March 2015, if the favourable advance ruling given and the certificate issued in relation to the property specify that the property is a film adapted from a foreign format, 28%,";

(4) by inserting the following subparagraph after subparagraph 1 of subparagraph ii:

"(1.1) where an application for an advance ruling or, in the absence of such an application, an application for a certificate is filed with the Société de développement des entreprises culturelles in respect of the property after 26 March 2015, if the favourable advance ruling given and the certificate issued in relation to the property do not specify that the property is a film adapted from a foreign format, 32%, or".

(2) Subsection 1 has effect from 27 March 2015.

105. (1) Section 1029.8.35.3 of the Act, replaced by section 415 of chapter 21 of the statutes of 2015 and amended by section 138 of chapter 24 of the statutes of 2015, is again amended

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

"(*a*) where an application for an advance ruling or, in the absence of such an application, an application for a certificate is filed with the Société de développement des entreprises culturelles in respect of the property after 31 August 2014 and before 27 March 2015 or, if the Société de développement des entreprises culturelles considers that the work on the property was not sufficiently advanced on 4 June 2014, after that date and before 27 March 2015, or where an application for a favourable advance ruling or, in the absence of such an application, an application for a certificate is filed with the Société de développement des entreprises culturelles in respect of the property after 26 March 2015, if the favourable advance ruling given and the certificate issued in relation to the property specify that the property is a film adapted from a foreign format, 52%;";

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

"(*a*.1) where an application for an advance ruling or, in the absence of such an application, an application for a certificate is filed with the Société de développement des entreprises culturelles in respect of the property after 26 March 2015, if the favourable advance ruling given and the certificate issued in relation to the property do not specify that the property is a film adapted from a foreign format, 56%; or".

(2) Subsection 1 has effect from 27 March 2015.

106. (1) Section 1029.8.36.0.0.1 of the Act, amended by section 416 of chapter 21 of the statutes of 2015, is again amended

(1) by replacing "25/7" in subparagraph 3 of subparagraph i of paragraph *a* of the definition of "qualified film dubbing expenditure" in the first paragraph and in subparagraph ii of paragraph *b* of that definition by "20/7";

(2) by replacing subparagraphs i to iii of subparagraph *a* of the fifth paragraph by the following subparagraphs:

"i. "20/7" were replaced wherever it appears by "25/7", in the case of a production referred to in subparagraph ii of subparagraph *a* of the first paragraph of section 1029.8.36.0.0.2,

"ii. "20/7" were replaced wherever it appears by "10/3", in the case of a production referred to in subparagraph *a*.1 of the first paragraph of section 1029.8.36.0.0.2, and

"iii. "20/7" were replaced wherever it appears by "100/29.1667", in the case of a production referred to in subparagraph *b* of the first paragraph of section 1029.8.36.0.0.2; and".

(2) Subsection 1 has effect from 27 March 2015.

107. (1) Section 1029.8.36.0.0.2 of the Act, amended by section 417 of chapter 21 of the statutes of 2015, is again amended by replacing subparagraphs i and ii of subparagraph *a* of the first paragraph by the following subparagraphs:

"i. 35% of its qualified film dubbing expenditure for the year in respect of the production of that qualified production, if the dubbing is completed either before 1 September 2014 or after 26 March 2015, or

"ii. 28% of its qualified film dubbing expenditure for the year in respect of the production of that qualified production, if the dubbing is completed after 31 August 2014 and before 27 March 2015;".

(2) Subsection 1 has effect from 27 March 2015.

108. (1) Section 1029.8.36.0.0.4 of the Act, amended by section 418 of chapter 21 of the statutes of 2015, is again amended

(1) by replacing subparagraph ii of paragraph *b* of the definition of "labour expenditure" in the first paragraph by the following subparagraph:

"ii. to a particular corporation having an establishment in Québec, other than a corporation referred to in subparagraph iii, a corporation that holds a broadcasting licence issued by the Canadian Radio-television and Telecommunications Commission or a corporation that is not dealing at arm's length with a corporation holding such a licence, to the extent that that portion of the remuneration is reasonably attributable to the wages of the particular corporation's eligible employees that relate to services rendered in Québec by the eligible employees as part of the production of the property,";

(2) by replacing paragraph *f* of the definition of "excluded corporation" in the first paragraph by the following paragraph:

"(*f*) at any time in the year or during the 24 months preceding the year, related to another corporation holding a broadcasting licence issued by the Canadian Radio-television and Telecommunications Commission unless the corporation holds, for that year, a qualification certificate issued by the Société de développement des entreprises culturelles for the purposes of this division;";

(3) by striking out subparagraph *e* of the third paragraph.

(2) Paragraph 1 of subsection 1 applies in respect of a labour expenditure incurred in a taxation year that begins after 26 March 2015.

(3) Paragraphs 2 and 3 of subsection 1 apply to a taxation year that begins after 26 March 2015.

109. (1) Section 1029.8.36.0.0.4.1 of the Act, enacted by section 419 of chapter 21 of the statutes of 2015, is amended by replacing the portion of the first paragraph before subparagraph *a* by the following:

"**1029.8.36.0.0.4.1.** Despite Chapter IV of Title II of Book I, if, at any time in a taxation year that ends before 1 March 2014 or begins after 26 March 2015, a particular corporation would, but for this paragraph, be related to another corporation holding a broadcasting licence issued by the Canadian Radio-television and Telecommunications Commission (in this section and section 1029.8.36.0.0.4.2 referred to as the "television broadcaster") as a consequence of the particular corporation and the television broadcaster being controlled at that time by a specified entity, within the meaning of section 1029.8.36.0.0.4.3, no right referred to in paragraph *b* of section 20 that is held by the specified entity in relation to shares of the capital stock of the particular corporation and the television broadcaster is to be taken into account at that time, for the purpose of determining whether the particular corporation".

(2) Subsection 1 has effect from 27 March 2015.

110. (1) Section 1029.8.36.0.0.4.2 of the Act, enacted by section 419 of chapter 21 of the statutes of 2015, is amended by replacing the portion of the first paragraph before subparagraph *a* by the following:

"**1029.8.36.0.0.4.2.** Despite Chapter IV of Title II of Book I, if, at any time in a taxation year that ends before 1 March 2014 or begins after 26 March 2015, a particular corporation would, but for this paragraph, be related to a television broadcaster as a consequence of the particular corporation and the television broadcaster being controlled at that time by the same group of persons that includes one or more specified entities, within the meaning of section 1029.8.36.0.0.4.3, neither the shares of the capital stock of the particular corporation and the television broadcaster owned by any specified entity that is a member of that group, nor any right referred to in paragraph *b* of section 20 that is held by any specified entity that is a member of that group in relation to shares of the capital stock of the particular corporation and the television

broadcaster is to be taken into account at that time, for the purpose of determining whether the particular corporation".

(2) Subsection 1 has effect from 27 March 2015.

111. (1) Section 1029.8.36.0.0.7 of the Act, amended by section 421 of chapter 21 of the statutes of 2015, is again amended

(1) by replacing "25/7" in subparagraphs 2 and 3 of subparagraph i of paragraph *a* of the definition of "qualified labour expenditure" in the first paragraph and in subparagraph ii of paragraph *b* of that definition by "20/7";

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

"Where the definition of "qualified labour expenditure" in the first paragraph applies in respect of a property (other than a property described in subparagraph ii of any of subparagraphs *a* to *a*.2 of the first paragraph of section 1029.8.36.0.0.8), it is to be read in respect of the property as if "20/7" were replaced wherever it appears by";

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

"(*b*) "25/7", if the property is a property to which subparagraph iii of any of subparagraphs *a* to *a*.2 of the first paragraph of section 1029.8.36.0.0.8 applies; or".

(2) Subsection 1 has effect from 27 March 2015.

112. (1) Section 1029.8.36.0.0.8 of the Act, amended by section 422 of chapter 21 of the statutes of 2015, is again amended, in the first paragraph,

(1) by replacing subparagraphs ii and iii of subparagraph *a* by the following subparagraphs:

"ii. 35% of its qualified labour expenditure for the year in respect of the property, where the property is a qualified sound recording for which an application for an advance ruling or, in the absence of such an application, an application for a certificate is filed with the Société de développement des entreprises culturelles

(1) after 19 March 2009 and on or before 4 June 2014 or, if the Société de développement des entreprises culturelles considered that the work on the property was sufficiently advanced on that date, 31 August 2014, or

(2) after 26 March 2015, and

"iii. 28% of its qualified labour expenditure for the year in respect of the property, where the property is a qualified sound recording for which an application for an advance ruling or, in the absence of such an application, an application for a certificate is filed with the Société de développement des entreprises culturelles after 4 June 2014 or, if the Société de développement des entreprises culturelles considered that the work on the property was sufficiently advanced on that date, 31 August 2014, and before 27 March 2015;";

(2) by replacing subparagraphs ii and iii of subparagraph *a*.1 by the following subparagraphs:

"ii. 35% of its qualified labour expenditure for the year in respect of the property, where the property is a qualified digital audiovisual recording for which an application for an advance ruling or, in the absence of such an application, an application for a certificate is filed with the Société de développement des entreprises culturelles

(1) after 19 March 2009 and on or before 4 June 2014 or, if the Société de développement des entreprises culturelles considered that the work on the property was sufficiently advanced on that date, 31 August 2014, or

(2) after 26 March 2015, and

"iii. 28% of its qualified labour expenditure for the year in respect of the property, where the property is a qualified digital audiovisual recording for which an application for an advance ruling or, in the absence of such an application, an application for a certificate is filed with the Société de développement des entreprises culturelles after 4 June 2014 or, if the Société de développement des entreprises culturelles considered that the work on the property was sufficiently advanced on that date, 31 August 2014, and before 27 March 2015;";

(3) by replacing subparagraphs ii and iii of subparagraph *a*.2 by the following subparagraphs:

"ii. 35% of its qualified labour expenditure for the year in respect of the property, where the property is a qualified clip for which an application for an advance ruling or, in the absence of such an application, an application for a certificate is filed with the Société de développement des entreprises culturelles

(1) after 19 March 2009 and on or before 4 June 2014 or, if the Société de développement des entreprises culturelles considered that the work on the property was sufficiently advanced on that date, 31 August 2014, or

(2) after 26 March 2015, and

"iii. 28% of its qualified labour expenditure for the year in respect of the property, where the property is a qualified clip for which an application for an advance ruling or, in the absence of such an application, an application for a certificate is filed with the Société de développement des entreprises culturelles

after 4 June 2014 or, if the Société de développement des entreprises culturelles considered that the work on the property was sufficiently advanced on that date, 31 August 2014, and before 27 March 2015; and".

(2) Subsection 1 has effect from 27 March 2015.

113. (1) Section 1029.8.36.0.0.12.1 of the Act, amended by section 425 of chapter 21 of the statutes of 2015, is again amended

(1) by replacing "25/7" in subparagraphs 2 and 3 of subparagraph i of paragraph *a* of the definition of "qualified labour expenditure" in the first paragraph and in subparagraph ii of paragraph *b* of that definition by "20/7";

(2) by striking out "and after 31 December 2015" in subparagraph *a* of the second paragraph;

(3) by replacing the sixth paragraph by the following paragraph:

"Where the definition of "qualified labour expenditure" in the first paragraph applies in respect of a property referred to in subparagraph *a* of the first paragraph of section 1029.8.36.0.0.12.2, it is to be read as if "20/7" were replaced wherever it appears by "25/7"."

(2) Subsection 1 has effect from 27 March 2015.

114. (1) Section 1029.8.36.0.0.12.2 of the Act, amended by section 426 of chapter 21 of the statutes of 2015, is again amended

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

"(*a*) 28%, where an application for an advance ruling or, in the absence of such an application, an application for a qualification certificate in respect of the property is filed with the Société de développement des entreprises culturelles

i. after 4 June 2014 or, if the Société de développement des entreprises culturelles considered that the work on the property was sufficiently advanced on that date, after 31 August 2014, and

ii. before 27 March 2015; or

"(*b*) 35%, in any other case.";

(2) by replacing "$280,000" wherever it appears in the third paragraph by "$350,000";

(3) by replacing the fourth paragraph by the following paragraph:

"In the case of a property referred to in subparagraph *a* of the first paragraph, the third paragraph is to be read as if "$350,000" were replaced wherever it appears by "$280,000"."

(2) Subsection 1 has effect from 27 March 2015.

115. (1) Section 1029.8.36.0.0.13 of the Act, amended by section 427 of chapter 21 of the statutes of 2015, is again amended

(1) by replacing "100/21.6" in subparagraphs 2 and 3 of subparagraph i of paragraph *a* of the definition of "qualified labour expenditure attributable to printing and reprinting costs" in the first paragraph and in subparagraph ii of paragraph *b* of that definition by "100/27";

(2) by replacing "25/7" in subparagraphs 2 and 3 of subparagraph i of paragraph *a* of the definition of "qualified labour expenditure attributable to preparation costs and digital version publishing costs" in the first paragraph and in subparagraph ii of paragraph *b* of that definition by "20/7";

(3) by replacing the portion of the eleventh paragraph before subparagraph *a* by the following:

"Where the definitions of "qualified labour expenditure attributable to preparation costs and digital version publishing costs" and "qualified labour expenditure attributable to printing and reprinting costs" in the first paragraph apply in respect of a property (other than a property described in subparagraph *a*.1 of the first paragraph of section 1029.8.36.0.0.14), they are to be read, in respect of the property, as if "100/27" and "20/7" were replaced wherever they appear by";

(4) by replacing subparagraph *b* of the eleventh paragraph by the following subparagraph:

"(*b*) "100/21.6" and "25/7", respectively, if the property is referred to in subparagraph *a*.2 of the first paragraph of section 1029.8.36.0.0.14; and".

(2) Subsection 1 has effect from 27 March 2015.

116. (1) Section 1029.8.36.0.0.14 of the Act, amended by section 428 of chapter 21 of the statutes of 2015, is again amended

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

"(*a*.1) in the case of a property for which an application for an advance ruling or, in the absence of such an application, an application for a certificate is filed with the Société de développement des entreprises culturelles after 19 March 2009 and on or before 4 June 2014 or, if the Société de développement des entreprises culturelles considers that the work on the property was sufficiently advanced on that date, 31 August 2014, or where an application for a favourable advance ruling or, in the absence of such an application, an application for a certificate is filed with the Société de développement des entreprises culturelles in respect of the property after 26 March 2015, the aggregate of";

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

"(*a*.2) in the case of a property for which an application for an advance ruling or, in the absence of such an application, an application for a certificate is filed with the Société de développement des entreprises culturelles after 31 August 2014 and before 27 March 2015 or, if the Société de développement des entreprises culturelles considers that the work on the property was not sufficiently advanced on 4 June 2014, after that date and before 27 March 2015, the aggregate of";

(3) by replacing "$350,000" in subparagraphs *a* and *b* of the fourth paragraph by "$437,500";

(4) by replacing the portion of the fifth paragraph before subparagraph *b* by the following:

"However, where the fourth paragraph applies in respect of a property (other than a property described in subparagraph *a* or *a*.1 of the first paragraph), it is to be read, in respect of the property, as if "$437,500" were replaced wherever it appears by

(*a*) "$350,000", if the property is referred to in subparagraph *a*.2 of the first paragraph; and".

(2) Subsection 1 has effect from 27 March 2015.

117. (1) Section 1029.8.36.0.3.79 of the Act, amended by section 434 of chapter 21 of the statutes of 2015, is again amended, in the first paragraph,

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

""government entity" means a government department or an entity referred to in section 2 of the Financial Administration Act (chapter A-6.001);";

(2) by striking out the definition of "eligibility period";

(3) by replacing paragraph *a* of the definition of "qualified wages" by the following paragraph:

"(*a*) the amount obtained by multiplying $83,333 by the proportion that the number of days in the year during which the employee qualifies as an eligible employee of the qualified corporation is of 365; and";

(4) by replacing the portion of paragraph *b* of the definition of "qualified wages" before subparagraph i by the following:

"(*b*) the amount by which the amount of the wages incurred in the year by the qualified corporation in respect of the employee while the employee qualifies as an eligible employee of the qualified corporation, to the extent that that amount is paid and is in respect of duties the employee performs for the employer in carrying out work other than work in respect of which the ultimate beneficiary is a government entity, exceeds the aggregate of".

(2) Paragraph 1 of subsection 1 and paragraph 4 of subsection 1, where it inserts "and is in respect of duties the employee performs for the employer in carrying out work other than work in respect of which the ultimate beneficiary is a government entity" in the portion of paragraph *b* of the definition of "qualified wages" in the first paragraph of section 1029.8.36.0.3.79 of the Act before subparagraph i, apply in respect of wages incurred by a corporation after 30 September 2015 under an agreement entered into by the corporation and a government entity that is made, renewed or extended after that date. They also apply in respect of such wages incurred after that date under an agreement made, renewed or extended after that date and entered into by the corporation and another person or partnership, where the ultimate beneficiary of the work all or part of the carrying out of which is provided for by the agreement is a government entity, unless the initial agreement entered into with the government entity was entered into before 1 October 2015.

118. (1) Section 1029.8.36.0.3.80 of the Act, amended by section 435 of chapter 21 of the statutes of 2015, is again amended

(1) by replacing the seventh and eighth paragraphs by the following paragraphs:

"A corporation makes the election referred to in the fourth paragraph, in respect of a particular taxation year, by filing with the Minister the prescribed form containing prescribed information within the time limit provided for in the first paragraph of section 1029.6.0.1.2 that applies to the corporation for the particular year.

The corporations that are members of a group of associated corporations for a particular taxation year make the election referred to in the fifth paragraph for the particular year by filing with the Minister the prescribed form containing prescribed information on or before the day that is 12 months after the earliest

of the group's members' filing-due dates for the particular year or, if it is later, the day described in subparagraph *b* of the first paragraph of section 1029.6.0.1.2.";

(2) by striking out the ninth paragraph;

(3) by replacing the tenth paragraph by the following paragraph:

"A corporation is deemed to have filed with the Minister the prescribed form containing prescribed information, referred to in the seventh or eighth paragraph, as the case may be, within the time limit provided for in that paragraph, in respect of a taxation year where, in accordance with the second paragraph of section 1029.6.0.1.2, it is deemed to have filed with the Minister a copy of the qualification certificate referred to in the first paragraph and the documents referred to in the third paragraph within the time limit provided for in the first paragraph of section 1029.6.0.1.2 that applies to the corporation for the taxation year so as to be deemed to have paid an amount to the Minister for the year under this section."

(2) Subsection 1 applies to a taxation year that begins after 26 March 2015.

119. Section 1029.8.36.0.3.82 of the Act, amended by section 436 of chapter 21 of the statutes of 2015, is again amended by replacing "If, before 1 January 2028," in the portion before paragraph *a* by "If".

120. (1) Section 1029.8.36.72.82.10.2 of the Act is replaced by the following section:

"**1029.8.36.72.82.10.2.** For the purposes of sections 1029.8.36.72.82.10 and 1029.8.36.72.82.10.1, for the purpose of determining whether a vendor and a purchaser are associated with each other at a particular time, if the vendor or purchaser is an individual, other than a trust, the vendor or purchaser is deemed to be a corporation all the voting shares in the capital stock of which are owned at the particular time by the individual."

(2) Subsection 1 applies to a taxation year that ends after 26 March 2015.

121. (1) Section 1029.8.36.72.82.24 of the Act is replaced by the following section:

"**1029.8.36.72.82.24.** For the purposes of sections 1029.8.36.72.82.22 and 1029.8.36.72.82.23, for the purpose of determining whether a vendor and a purchaser are associated with each other at a particular time, if the vendor or purchaser is an individual, other than a trust, the vendor or purchaser is deemed to be a corporation all the voting shares in the capital stock of which are owned at the particular time by the individual."

(2) Subsection 1 applies to a taxation year that ends after 26 March 2015.

122. (1) Section 1029.8.36.166.41 of the Act is amended by replacing the second paragraph by the following paragraph:

"For the purposes of the first paragraph, a business carried on by an individual, other than a trust, is deemed to be carried on by a corporation all the voting shares in the capital stock of which are owned at that time by the individual."

(2) Subsection 1 applies to a taxation year that ends after 26 March 2015.

123. (1) Section 1029.8.36.166.60.6 of the Act, enacted by section 466 of chapter 21 of the statutes of 2015, is amended by replacing the second paragraph by the following paragraph:

"For the purposes of the first paragraph, a business carried on by an individual, other than a trust, is deemed to be carried on by a corporation all the voting shares in the capital stock of which are owned at that time by the individual."

(2) Subsection 1 applies to a taxation year that ends after 26 March 2015.

124. (1) Section 1029.8.36.166.60.19 of the Act, enacted by section 466 of chapter 21 of the statutes of 2015, is amended

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

""primary sector activities" means the activities in the agriculture, forestry, fishing and hunting sector and the activities in the mining, quarrying, and oil and gas extraction sector that are included, respectively, in the group described under code 11 or 21 of the North American Industry Classification System (NAICS) Canada, as amended from time to time and published by Statistics Canada;";

(2) by replacing the portion of paragraph *a* of the definition of "eligible expenses" in the first paragraph before subparagraph i by the following:

"(*a*) for a qualified corporation that has filed with Investissement Québec its application for a certificate in respect of the contract before 4 June 2014, the aggregate of the following amounts incurred after 7 October 2013 and before 1 January 2020:";

(3) by inserting "and before 1 July 2021" after "the particular taxation year" in subparagraph iii of paragraph *a* of the definition of "eligible expenses" in the first paragraph;

(4) by replacing the portion of paragraph *b* of the definition of "eligible expenses" in the first paragraph before subparagraph i by the following:

"(*b*) for a qualified partnership that has filed with Investissement Québec its application for a certificate in respect of the contract before 4 June 2014, the aggregate of the following amounts incurred after 7 October 2013 and before 1 January 2020:";

(5) by inserting "and before 1 July 2021" after "the particular fiscal period" in subparagraph iii of paragraph *b* of the definition of "eligible expenses" in the first paragraph;

(6) by inserting the following paragraphs after paragraph *b* of the definition of "eligible expenses" in the first paragraph:

"(*c*) for a qualified corporation that has filed with Investissement Québec its application for a certificate in respect of the contract after 26 March 2015, the aggregate of the following amounts incurred after that date and before 1 January 2020:

i. if the corporation is a qualified manufacturing or primary sector corporation for the particular taxation year, the cost of the contract, to the extent that it is reasonable in the circumstances, that can reasonably be attributed to the activities specified in the certificate issued to the corporation in respect of the contract, other than an activity described in the second paragraph, that constitute, according to the certificate, the supply of a qualified management software package, provided the supply is intended to be used mainly in Québec in the course of a business carried on by the corporation in Québec, that is incurred by the corporation in the particular taxation year and that is paid in the particular year,

ii. the amount by which the cost referred to in subparagraph i that is incurred by the corporation in the particular taxation year or in a preceding taxation year for which the corporation is a qualified manufacturing or primary sector corporation, and that is paid after the end of the particular year or of the preceding year, as the case may be, but not later than 18 months after the end of that year, exceeds the portion of that cost that is included in the corporation's eligible expenses in respect of which the corporation is deemed to have paid an amount to the Minister under section 1029.8.36.166.60.27 for a taxation year preceding the particular year, and

iii. the cost referred to in subparagraph i that is incurred by the corporation and that is paid in the particular taxation year and before 1 July 2021, if it is paid more than 18 months after the end of the taxation year in which it was incurred and for which the corporation was a qualified manufacturing or primary sector corporation; and

"(*d*) for a qualified partnership that has filed with Investissement Québec its application for a certificate in respect of the contract after 26 March 2015,

the aggregate of the following amounts incurred after that date and before 1 January 2020:

i. if the partnership is a qualified manufacturing or primary sector partnership for the particular fiscal period, the cost of the contract, to the extent that it is reasonable in the circumstances, that can reasonably be attributed to the activities specified in the certificate issued to the partnership in respect of the contract, other than an activity described in the second paragraph, that constitute, according to the certificate, the supply of a qualified management software package, provided the supply is intended to be used mainly in Québec in the course of a business carried on by the partnership in Québec, that is incurred by the partnership in the particular fiscal period and that is paid in the particular fiscal period,

ii. the amount by which the cost referred to in subparagraph i that is incurred by the partnership in the particular fiscal period or in a preceding fiscal period for which the partnership is a qualified manufacturing or primary sector partnership, and that is paid after the end of the particular fiscal period or of the preceding fiscal period, as the case may be, but not later than 18 months after the end of that fiscal period, exceeds the portion of that cost that is included in the partnership's eligible expenses in respect of which a member of the partnership would be deemed to have paid an amount to the Minister under section 1029.8.36.166.60.28 for a taxation year preceding the year in which the particular fiscal period ends, if that section were read without reference to subparagraph *b* of its first paragraph and, in the case where the member was not a qualified corporation for that preceding taxation year, the member had been a qualified corporation for that preceding taxation year, and

iii. the cost referred to in subparagraph i that is incurred by the partnership and that is paid in the particular fiscal period and before 1 July 2021, if it is paid more than 18 months after the end of the fiscal period in which it was incurred and for which the partnership was a qualified manufacturing or primary sector partnership;";

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

""qualified manufacturing or primary sector partnership" for a fiscal period means a qualified partnership, for the fiscal period, in respect of which the proportion of the manufacturing or processing activities and primary sector activities that the aggregate of the manufacturing or processing salary or wages and the primary sector salary or wages in relation to the partnership for the fiscal period is of the salary or wages in relation to the partnership for the fiscal period, exceeds 50%;";

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

““manufacturing or processing salary or wages” in relation to a qualified corporation for a taxation year or a qualified partnership for a fiscal period has the meaning assigned by section 1029.8.36.166.40;

““primary sector salary or wages” in relation to a qualified corporation for a taxation year or a qualified partnership for a fiscal period means the portion of the salary or wages in relation to the qualified corporation for the taxation year or the qualified partnership for the fiscal period that the aggregate of all amounts each of which is equal to the proportion of the gross revenue, referred to in the definition of “salary or wages” in section 1029.8.36.166.40, of an employee of the corporation or partnership, as the case may be, that the employee’s working time spent on primary sector activities in the taxation year or fiscal period is of all the employee’s working time in the taxation year or fiscal period;

““qualified manufacturing or primary sector corporation” for a taxation year means a qualified corporation, for the year, in respect of which the proportion of the manufacturing or processing activities and primary sector activities that the aggregate of the manufacturing or processing salary or wages and the primary sector salary or wages in relation to the corporation for the taxation year is of the salary or wages in relation to the corporation for the taxation year, exceeds 50%;

““salary or wages” in relation to a qualified corporation for a taxation year or a qualified partnership for a fiscal period has the meaning assigned by section 1029.8.36.166.40.”;

(9) by adding the following paragraph after the third paragraph:

“For the purposes of the definition of “primary sector salary or wages” in the first paragraph, an employee who spends 90% or more of working time on primary sector activities is deemed to spend all working time thereon.”

(2) Subsection 1 has effect from 27 March 2015.

125. (1) Section 1029.8.36.166.60.24 of the Act, enacted by section 466 of chapter 21 of the statutes of 2015, is amended by replacing the second paragraph by the following paragraph:

“For the purposes of the first paragraph, a business carried on by an individual, other than a trust, is deemed to be carried on by a corporation all the voting shares in the capital stock of which are owned at that time by the individual.”

(2) Subsection 1 applies to a taxation year that ends after 26 March 2015.

126. (1) Section 1029.8.36.166.60.29 of the Act, enacted by section 466 of chapter 21 of the statutes of 2015, is amended

(1) by replacing "25%" wherever it appears in the formula in the first paragraph by "20%";

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

"For the purposes of sections 1029.8.36.166.60.27 and 1029.8.36.166.60.28, in relation to an eligible information technology integration contract in respect of which the application for a certificate has been filed with Investissement Québec before 4 June 2014, the percentage of 20% wherever it appears in the formula in the first paragraph is to be replaced by a percentage of 25%."

(2) Subsection 1 has effect from 27 March 2015.

127. (1) Sections 1029.8.36.166.60.31 to 1029.8.36.166.60.33 of the Act, enacted by section 466 of chapter 21 of the statutes of 2015, are amended by replacing "2020" in the portion of the first paragraph before subparagraph *a* by "2022".

(2) Subsection 1 has effect from 27 March 2015.

128. (1) Section 1029.8.116.12 of the Act is amended

(1) by replacing the definition of "base year" in the first paragraph by the following definition:

""base year" relating to a particular payment period means the taxation year that ended on 31 December of the calendar year that precedes the beginning of that period;";

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

""payment month" of a particular payment period means any of the months included in that period that are determined, in respect of an individual, in accordance with the second paragraph of section 1029.8.116.26;";

(3) by replacing the portion of the definition of "eligible individual" in the first paragraph before paragraph *a* by the following:

""eligible individual" in respect of a particular payment period means an individual who, at the end of the base year relating to that period,";

(4) by replacing paragraph *b* of the definition of "eligible individual" in the first paragraph by the following paragraph:

"(*b*) is resident in Québec or, if the individual is the cohabiting spouse of a person who is deemed to be resident in Québec throughout that base year, other than a person who is exempt from tax for that year under any of subparagraphs *a* to *d* and *f* of the first paragraph of section 96 of the Tax Administration Act (chapter A-6.002), was resident in Québec in any preceding taxation year;";

(5) by replacing the definition of "excluded individual" in the first paragraph by the following definition:

""excluded individual" at the end of a base year means

(*a*) a person in respect of whom another individual has received, for the last month of the base year, an amount deemed under section 1029.8.61.18 to be an overpayment of the other individual's tax payable, except where the person attained 18 years of age in that month;

(*b*) a person confined to a prison or a similar institution at the end of the base year and who was so confined throughout one or more periods, totalling more than 183 days, included in that year; or

(*c*) a person who is exempt from tax for the base year under section 982 or 983 or any of subparagraphs *a* to *d* and *f* of the first paragraph of section 96 of the Tax Administration Act, or the cohabiting spouse of such a person at the end of that year;";

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

""payment period" means the period that begins on 1 July of a particular calendar year and ends on 30 June of the following calendar year.";

(7) by replacing the definition of "family income" in the first paragraph by the following definition:

""family income" of an individual for the base year relating to a particular payment period means, subject to the third paragraph of section 1029.8.116.15, the aggregate of the income of the individual for that base year and the income, for that year, of the individual's cohabiting spouse at the end of that year;";

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

"For the purpose of applying this division to a particular month of the taxation year 2016 that precedes 1 July, the first paragraph, as it read in its application before that date, is to be read as follows:

(*a*) by replacing the definition of "base year" by the following definition:

""base year" relating to a particular month means the taxation year 2015;";

(*b*) by replacing the portion of the definition of "eligible individual" before paragraph *a* by the following:

""eligible individual" in respect of a particular month means an individual who, at the end of the base year relating to that month,"; and

(*c*) by replacing "at the beginning of the particular month" in the definition of "family income" by "at the end of that year".";

(9) by striking out the second paragraph.

(2) Subsection 1, except paragraphs 4, 5, 8 and 9, applies from 1 July 2016.

(3) Paragraphs 4, 5, 8 and 9 of subsection 1 apply from 1 January 2016.

129. (1) Section 1029.8.116.15 of the Act is amended

(1) by striking out subparagraph *a* of the first paragraph;

(2) by replacing the second and third paragraphs by the following paragraphs:

"If, in respect of a child, an individual receives for a month included in a particular payment period, or for a particular month preceding 1 July 2016, an amount deemed under section 1029.8.61.18 to be an overpayment of the individual's tax payable and the individual was not resident in Québec on 31 December of the base year relating to that payment period or to the particular month, as the case may be, for the purpose of determining for that base year the family income of the individual, the individual's income for the base year is, despite the first paragraph, the individual's income for that year for the purposes of Division II.11.2.

However, an individual's family income for the base year relating to a particular payment period, or to a particular month preceding 1 July 2016, is deemed to be equal to zero if, for the last month of that base year, the individual or the individual's cohabiting spouse at the end of that year is a recipient under a financial assistance program provided for in any of Chapters I to III of Title II of the Individual and Family Assistance Act (chapter A-13.1.1)."

(2) Subsection 1 applies from 1 January 2016.

130. (1) Section 1029.8.116.16 of the Act, amended by section 487 of chapter 21 of the statutes of 2015, is again amended

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

"**1029.8.116.16.** The amount that, subject to section 1029.8.116.17.1, is determined by the following formula is deemed, for a particular payment period, to be an overpayment of tax payable under this Part by an eligible individual in respect of that period, if the eligible individual makes an

application to that effect in accordance with section 1029.8.116.18, if the individual has filed a document in which the individual agrees that the payment of the amount be made by direct deposit in a bank account held at a financial institution described in the sixth paragraph and if the individual and, if applicable, the individual's cohabiting spouse at the end of that base year file the document specified in section 1029.8.116.19 for that base year:

A + B + C – D.";

(2) by replacing subparagraphs i to iii of subparagraph *a* of the second paragraph by the following subparagraphs:

"i. $283,

"ii. $283 if, at the end of the base year relating to the particular payment period, the eligible individual has a cohabiting spouse resident in Québec who ordinarily lives with the individual and, subject to the fourth paragraph, is not confined to a prison or a similar institution, and

"iii. $135 if, throughout that base year, the eligible individual ordinarily lives in a self-contained domestic establishment in which no other person 18 years of age or over ordinarily lives;";

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

"(*b*) B is an amount equal to zero, unless, at the end of the base year relating to the particular payment period, the eligible individual, or the individual's cohabiting spouse with whom the individual ordinarily lives, owns, leases or subleases the individual's eligible dwelling and the information described in section 1029.8.116.19.1 has been provided, in which case B is the aggregate of

i. $548 if, at the end of that base year, the eligible individual owns, leases or subleases the eligible dwelling and, at that time, neither the individual's cohabiting spouse, nor another eligible individual who owns, leases or subleases the dwelling with the individual, ordinarily lives in the dwelling,

ii. if, at the end of that base year, the eligible individual is not referred to in subparagraph i,

(1) $665 where, at the end of that base year, the eligible individual lives in the eligible dwelling with the individual's cohabiting spouse and, at that time, no other eligible individual who owns, leases or subleases the dwelling ordinarily lives in the dwelling, or

(2) in any other case, the particular amount that is the quotient obtained by dividing $665 by the number of persons who, at the end of that base year, own, lease or sublease the eligible dwelling and ordinarily live in the dwelling, or twice the particular amount where, at that time, the eligible individual and the individual's cohabiting spouse are such persons,

iii. the product obtained by multiplying $117 by the number of persons each of whom is a child, other than a child referred to in section 1029.8.61.18.2, in respect of whom the eligible individual, or the person who at the end of that base year is the individual's cohabiting spouse with whom the individual ordinarily lives, has received, for the last month of that year, an amount deemed under section 1029.8.61.18 to be an overpayment of tax payable, and

iv. 50% of the product obtained by multiplying $117 by the number of persons each of whom is a child referred to in section 1029.8.61.18.2 in respect of whom the eligible individual, or the person who at the end of that base year is the individual's cohabiting spouse with whom the individual ordinarily lives, has received, for the last month of that year, an amount deemed under section 1029.8.61.18 to be an overpayment of tax payable;";

(4) by replacing the portion of subparagraph *c* of the second paragraph before subparagraph 1 of subparagraph ii by the following:

"(*c*) C is an amount equal to zero, unless, at the end of the base year relating to the particular payment period, the eligible individual ordinarily lives in the territory of a northern village in which the individual's principal place of residence is situated, in which case C is the aggregate of

i. $1,664,

ii. $1,664 if, at the end of that base year, the eligible individual has a cohabiting spouse";

(5) by replacing subparagraph 3 of subparagraph ii of subparagraph *c* of the second paragraph by the following subparagraph:

"(3) who, subject to the fourth paragraph, is not confined to a prison or a similar institution,";

(6) by replacing the portion of subparagraph iii of subparagraph *c* of the second paragraph before subparagraph 1 by the following:

"iii. the product obtained by multiplying $360 by the number of persons each of whom is a child in respect of whom the following conditions are met at the end of that base year:";

(7) by replacing subparagraph 3 of subparagraph iii of subparagraph *c* of the second paragraph by the following subparagraph:

"(3) the eligible individual or the individual's cohabiting spouse has received in relation to that child, for the last month of that year, an amount deemed under section 1029.8.61.18 to be an overpayment of tax payable, and";

(8) by replacing the portion of subparagraph iv of subparagraph *c* of the second paragraph before subparagraph 1 by the following:

"iv. 50% of the product obtained by multiplying $360 by the number of persons each of whom is a child in respect of whom the following conditions are met at the end of that base year:";

(9) by replacing subparagraph 3 of subparagraph iv of subparagraph *c* of the second paragraph by the following subparagraph:

"(3) the eligible individual or the individual's cohabiting spouse has received in relation to that child, for the last month of that year, an amount deemed under section 1029.8.61.18 to be an overpayment of tax payable; and";

(10) by replacing subparagraph i of subparagraph *a* of the third paragraph by the following subparagraph:

"i. 3%, if B and C in the formula in the first paragraph have a value equal to zero in respect of the eligible individual for the particular payment period, or";

(11) by replacing subparagraphs *b* and *c* of the third paragraph by the following subparagraphs:

"(*b*) F is the eligible individual's family income for the base year relating to the particular payment period; and

"(*c*) G is an amount of $33,685.";

(12) by inserting the following paragraphs after the fourth paragraph:

"For the purposes of this section, a person is deemed not to be confined to a prison or similar institution at the end of a base year if

(*a*) the total number of days in the year during which the person was confined to the prison or similar institution is less than 183; and

(*b*) at that time, the person could reasonably be expected not to be confined to the prison or similar institution throughout the following taxation year.

Where a child is born or adopted in the last month of the base year relating to a particular payment period, or to a particular month preceding 1 July 2016, the eligible individual in respect of that period or that month, or the individual's cohabiting spouse at the end of that base year, as the case may be, is deemed, for the purposes of subparagraphs *b* and *c* of the second paragraph, to have received, in relation to the child, for the last month of that base year, an amount deemed under section 1029.8.61.18 to be an overpayment of tax payable, if it is reasonable to consider that that person will receive such an amount in relation to the child for the first month following that year.";

(13) by striking out the fourth paragraph.

(2) Subsection 1, except paragraph 12, applies in respect of a payment period that begins after 30 June 2016.

(3) Paragraph 12 of subsection 1 applies from 1 January 2016.

131. (1) Section 1029.8.116.17 of the Act, amended by section 488 of chapter 21 of the statutes of 2015, is again amended

(1) by replacing "as it read before 1 January 2012" in the portion before paragraph *a* by "as it read in its application before 1 January 2012";

(2) by adding the following paragraph:

"For the purpose of applying this division to a particular month of the taxation year 2016 that precedes 1 July, section 1029.8.116.16, as it read in its application before that date, is to be read as if

(*a*) "described in the fifth paragraph" and "the individual's cohabiting spouse at the beginning of the particular month" in the portion of the first paragraph before the formula were replaced by "described in the seventh paragraph" and "the individual's cohabiting spouse at the end of the base year relating to the particular month", respectively;

(*b*) "at the beginning of the particular month" were replaced by "at the end of the base year relating to the particular month" in the following provisions of the second paragraph:

i. subparagraph ii of subparagraph *a*,

ii. the portion of subparagraph *b* before subparagraph i,

iii. subparagraphs i to iii of subparagraph *b*,

iv. the portion of subparagraph *c* before subparagraph i, and

v. the portion of each of subparagraphs ii, iii and iv of subparagraph *c* before subparagraph 1;

(*c*) "at the beginning of the particular month" and "no other eligible individual" in subparagraph iii of subparagraph *a* of the second paragraph were replaced by "throughout the base year relating to the particular month" and "no other person 18 years of age or over", respectively;

(*d*) "and the information described in section 1029.8.116.19.1 has been provided" were inserted after "the individual's eligible dwelling" in the portion of subparagraph *b* of the second paragraph before subparagraph i;

(*e*) "but owns, leases or subleases the eligible dwelling" in subparagraph iii of subparagraph *b* of the second paragraph were replaced by "but the individual

or the individual's cohabiting spouse owns, leases or subleases the eligible dwelling";

(*f*) "at that time" and "receives, for the particular month" in each of subparagraphs iv and v of subparagraph *b* of the second paragraph were replaced by "at the end of the base year relating to the particular month" and "has received, for the last month of that year", respectively;

(*g*) "receives in relation to that child, for the particular month" in subparagraph 3 of each of subparagraphs iii and iv of subparagraph *c* of the second paragraph were replaced by "has received in relation to that child, for the last month of that year"; and

(*h*) subparagraph *a* of the fourth paragraph were replaced by the following subparagraph:

"(*a*) 2, if, at the end of the base year relating to the particular month, the eligible individual and the individual's cohabiting spouse with whom the individual ordinarily lives in the eligible dwelling are such owners, lessees or sublessees; and"."

(2) Subsection 1 has effect from 1 January 2016.

132. (1) Sections 1029.8.116.17.1 and 1029.8.116.18 of the Act are replaced by the following sections:

"**1029.8.116.17.1.** The amount determined under section 1029.8.116.16 for a particular payment period in respect of an eligible individual may not be less than the amount that would be determined in respect of the eligible individual for that period if, in the formula in the first paragraph of that section, the amounts for B and C were each equal to zero.

"**1029.8.116.18.** The application referred to in the first paragraph of section 1029.8.116.16 must be filed with the Minister no later than 31 December of the fourth year following the base year relating to the payment period in respect of which the application is made, by means of the fiscal return the eligible individual is required to file under section 1000 for that base year, or would be required to file if the individual had tax payable for that taxation year under this Part.

If, at the end of the base year relating to a particular payment period, or to a particular month preceding 1 July 2016, an eligible individual ordinarily lives with another eligible individual who is the individual's cohabiting spouse, the application of only one of them may be considered to be valid in respect of that period or that month, as the case may be."

(2) Subsection 1 applies in respect of a payment period that begins after 30 June 2016, except where it replaces the second paragraph of section 1029.8.116.18 of the Act, in which case it applies from 1 January 2016.

133. (1) Section 1029.8.116.19 of the Act is amended by replacing the second paragraph by the following paragraph:

"If, in respect of a child, an individual receives for a month included in a particular payment period, or for a particular month preceding 1 July 2016, an amount deemed under section 1029.8.61.18 to be an overpayment of the individual's tax payable and, for the base year relating to that payment period or to the particular month, as the case may be, the document that the individual is required to file is any of the documents specified in subparagraphs *b* and *c* of the first paragraph, the document is deemed to be filed by the individual if the corresponding document referred to in paragraph *b* or *c* of section 1029.8.61.23 has been sent to the Régie des rentes du Québec."

(2) Subsection 1 applies from 1 January 2016.

134. (1) The Act is amended by inserting the following section after section 1029.8.116.19:

"**1029.8.116.19.1.** The information referred to in the portion of subparagraph *b* of the second paragraph of section 1029.8.116.16 before subparagraph i is

(*a*) where, at the end of the base year, the eligible individual or the individual's cohabiting spouse owns the individual's eligible dwelling, the roll number or the identification number shown on the account of property taxes relating to that dwelling for that base year and, if applicable, the number of persons who own it; or

(*b*) where, at the end of the base year, the eligible individual or the individual's cohabiting spouse leases or subleases the individual's eligible dwelling, the number identifying the dwelling as shown on the information return the owner of the immovable in which the dwelling is situated is required, under the regulations made in accordance with section 1086, to send the individual or the spouse and, if applicable, the number of persons who lease or sublease it."

(2) Subsection 1 applies from 1 January 2016.

135. (1) Sections 1029.8.116.20 and 1029.8.116.21 of the Act are replaced by the following sections:

"**1029.8.116.20.** If, at the end of the base year relating to a particular payment period or to a particular month preceding 1 July 2016, an eligible individual is not the owner, lessee or sublessee of the individual's eligible dwelling and the particular person who is the owner, lessee or sublessee of the

dwelling is, at that time, either confined to a prison or a similar institution, or living in a dwelling that is the individual's principal place of residence and that is in a health services and social services network facility, and was, immediately before the beginning of being confined in the prison or similar institution or living in the dwelling, as the case may be, the cohabiting spouse of the individual with whom the particular person ordinarily lived, the eligible individual rather than the particular person is, for the purposes of subparagraph *b* of the second paragraph of section 1029.8.116.16, deemed, at the end of the base year, to be the owner, lessee or sublessee, as applicable, of the dwelling.

However, the first paragraph does not apply if, at the end of the base year, the particular person is not the cohabiting spouse of the individual.

"**1029.8.116.21.** If, at the end of the base year relating to a particular payment period or to a particular month preceding 1 July 2016, an eligible individual is not the owner, lessee or sublessee of the individual's eligible dwelling and one or more particular persons who are the owners of the dwelling at that time are children in respect of whom the individual received, for the last month of the base year, an amount deemed under section 1029.8.61.18 to be an overpayment of the individual's tax payable and who have not reached 18 years of age in that month, the eligible individual rather than each of the particular persons is, for the purposes of subparagraph *b* of the second paragraph of section 1029.8.116.16, deemed, at the end of the base year, to be the owner of the dwelling."

(2) Subsection 1 applies from 1 January 2016.

136. (1) Sections 1029.8.116.22 to 1029.8.116.24 of the Act are repealed.

(2) Subsection 1 applies in respect of a change in circumstances that occurs after 31 December 2015.

137. (1) Section 1029.8.116.25 of the Act is amended

(1) by replacing the first and second paragraphs by the following paragraphs:

"**1029.8.116.25.** The Minister shall determine the amount that an eligible individual is entitled to receive for a particular payment period in respect of the amount deemed under section 1029.8.116.16 to be an overpayment of the individual's tax payable and shall send the individual a notice of determination in that respect.

The amount determined under the first paragraph is revised, if applicable, for the payment period or the first six months of the year 2016, to subtract from that amount any amount deemed, because of the application of section 1029.8.116.26.3, not to be an overpayment of the eligible individual's tax payable and a new notice giving an account of that revision is sent by the Minister to the individual.";

(2) by striking out the third paragraph.

(2) Subsection 1 applies in respect of a payment period that begins after 30 June 2016, except where paragraph 1 replaces the second paragraph of section 1029.8.116.25 of the Act, in which case that paragraph applies from 1 January 2016.

138. (1) Section 1029.8.116.26 of the Act is amended

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

"**1029.8.116.26.** The Minister shall pay to an eligible individual who is entitled to receive, for a particular payment period, the amount deemed under section 1029.8.116.16 to be an overpayment of the individual's tax payable, at the beginning of any of the payment months specified in the second paragraph, all or a fraction, as the case may be, of the amount determined in respect of the individual for that period under the first paragraph of section 1029.8.116.25.";

(2) by inserting the following paragraph after the first paragraph:

"The payment of the amount so determined is made as follows:

(*a*) if the amount is equal to or greater than $800, one-twelfth of the amount is paid within the first five days of each of the months of the particular payment period;

(*b*) if the amount is greater than $240 but less than $800, one-quarter of the amount is paid within the first five days of each of the months of July, October, January and April of that period; or

(*c*) in any other case, all of the amount is paid within the first five days of the month of July of that period.";

(3) by replacing the portion of the second paragraph before the formula by the following:

"However, for a particular month of the year 2011, the amount paid by the Minister to an eligible individual may not exceed the amount by which the amount, referred to in the first paragraph (as it reads in its application before 1 July 2016), that is determined in respect of the eligible individual for the particular month exceeds the amount determined, subject to the fifth paragraph, by the formula";

(4) by replacing "second paragraph" in the portion of each of the third and fourth paragraphs before subparagraph *a* by "third paragraph";

(5) by replacing "third paragraph" in the fifth paragraph by "fourth paragraph".

(2) Paragraphs 1 and 2 of subsection 1 apply in respect of a payment period that begins after 30 June 2016.

139. (1) The Act is amended by inserting the following sections after section 1029.8.116.26:

"**1029.8.116.26.1.** An eligible individual is not entitled to receive, for a particular payment period or for a particular month preceding 1 July 2016, an amount, in respect of an amount deemed under section 1029.8.116.16 to be an overpayment of the individual's tax payable from the payment month or the particular month that follows the month of the individual's death or the month in which the individual ceases to be resident in Québec.

Similarly, an eligible individual is not entitled to receive, for a particular payment period or for a particular month preceding 1 July 2016, an amount, in respect of an amount deemed under section 1029.8.116.16 to be an overpayment of the individual's tax payable, if the individual is confined to a prison or similar institution immediately before the beginning of the month in which the payment of the amount would otherwise be made.

"**1029.8.116.26.2.** At the beginning of a particular payment month or of a particular month preceding 1 July 2016, the Minister may pay to a person who is the cohabiting spouse of an eligible individual at the end of the base year relating to the payment period that includes that month or relating to the particular month an amount that the individual would have been entitled to receive, had it not been for the application of section 1029.8.116.26.1, in respect of an amount deemed under section 1029.8.116.16 to be an overpayment of the individual's tax payable, if that person applies to the Minister to that effect and is an eligible individual in respect of that period or particular month.

The first paragraph does not apply to an amount that the eligible individual is not entitled to receive because the individual ceased to be resident in Québec.

"**1029.8.116.26.3.** Every amount that an eligible individual is no longer entitled to receive for a particular payment period or for a paticular month preceding 1 July 2016 because of the application of section 1029.8.116.26.1, is deemed, despite section 1029.8.116.16, not to be an overpayment of the eligible individual's tax payable.

However, the first paragraph does not apply in respect of an amount that is paid in accordance with section 1029.8.116.26.2."

(2) Subsection 1 applies from 1 January 2016.

140. (1) Sections 1029.8.116.27 to 1029.8.116.29 of the Act are replaced by the following sections:

"**1029.8.116.27.** In exceptional circumstances and if convinced that it is in the family's interest, the Minister may pay to a person who is the

cohabiting spouse of an eligible individual at the end of the base year relating to a particular payment period or to a particular month preceding 1 July 2016 an amount that the individual is entitled to receive in respect of an amount deemed under section 1029.8.116.16 to be an overpayment of the individual's tax payable, if that person is also an eligible individual in respect of that period or particular month, as the case may be.

"**1029.8.116.28.** The Minister may require that an individual who, for a particular payment period, applies for, or receives all or part of, the amount deemed under section 1029.8.116.16 to be an overpayment of the individual's tax payable for a taxation year provide the Minister with documents or information so that the Minister may ascertain whether the individual is entitled to receive that amount.

The Minister may suspend the payment of any amount in respect of the amount referred to in the first paragraph until the Minister has been provided with the required documents or information if the individual fails to provide the required documents or information before the expiry of 45 days after the date of the request.

Similarly, the Minister may suspend such payments for the duration of an inquiry on the individual's eligibility. The Minister shall conduct the inquiry diligently.

"**1029.8.116.29.** The Minister is not bound to pay the amount that is determined in respect of an eligible individual for a particular payment period in respect of the amount deemed under section 1029.8.116.16 to be an overpayment of the individual's tax payable, if the amount is less than $2."

(2) Subsection 1 applies in respect of a payment period that begins after 30 June 2016, except where it replaces section 1029.8.116.27 of the Act, in which case it applies from 1 January 2016.

141. (1) Section 1029.8.116.30 of the Act is amended

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

"**1029.8.116.30.** If an amount is refunded to an individual, or allocated to one of the individual's liabilities, in respect of an amount that, for a particular payment period, is deemed under section 1029.8.116.16 to be an overpayment of the individual's tax payable, interest is to be paid to the individual on the amount for the period ending on the day the overpayment is refunded or allocated and beginning on the day that is the latest of

(*a*) the sixth day of the payment month to which that amount relates;

(*b*) the 46th day following the day on which the individual's fiscal return is to be filed under this Part for the base year relating to the payment period;";

(2) by striking out subparagraph *c* of the first paragraph;

(3) by replacing subparagraphs *d* and *e* of the first paragraph by the following subparagraphs:

"(*d*) in the case of an additional amount determined for the payment period following a written application to amend a fiscal return filed under this Part for the base year relating to that period, the 46th day following the day on which the Minister received the application; and

"(*e*) in the case of an additional amount determined for the payment period following the amendment of a return of income filed under Part I of the Income Tax Act (Revised Statutes of Canada, 1985, chapter 1, 5th Supplement) for the base year relating to that period or of an income statement filed by means of the prescribed form for that base year, the 46th day following the day on which the amendment has been brought to the attention of the Minister.";

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

"Similarly, if an amount is, in accordance with section 1029.8.116.26.2, refunded to a person who is the cohabiting spouse of an eligible individual at the end of the base year relating to a particular payment period or to a particular month preceding 1 July 2016, or allocated to one of the individual's liabilities, in respect of an amount that, for that payment period or for the particular month, as the case may be, is deemed under section 1029.8.116.16 to be an overpayment of the individual's tax payable for the taxation year to which it relates, interest is to be paid to the person on the amount for the period ending on the day the overpayment is refunded or allocated and beginning on the day that is the later of

(*a*) the sixth day of the payment month, determined in respect of the individual, or of the particular month, to which the amount relates; and

(*b*) the 46th day following the day on which the Minister received, in accordance with the first paragraph of section 1029.8.116.26.2, the person's application for the payment of the amount.";

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

"However, the Minister is not bound to pay the total of the amounts of interest determined, for a particular payment period, under the first paragraph in respect of an individual or under the second paragraph in respect of a person, if the amount is less than $1.";

(6) by adding the following paragraph after the second paragraph:

"The rule of the third paragraph applies to the total of the amounts of interest determined in respect of a person under the second paragraph for the first six months of the year 2016 and, for that purpose, the aggregate of those months is deemed to be a payment period."

(2) Paragraphs 1, 3 and 5 of subsection 1 apply in respect of a payment period that begins after 30 June 2016.

(3) Paragraphs 2, 4 and 6 of subsection 1 apply from 1 January 2016.

142. (1) Section 1029.8.116.31 of the Act is replaced by the following section:

"**1029.8.116.31.** The amount by which the amount that is paid to an individual in respect of the amount that, for a particular payment period, is deemed under section 1029.8.116.16 to be an overpayment of the individual's tax payable, exceeds the amount that should have been paid to the individual for that period, is deemed to be tax payable by the individual under this Part from the date of determination of that excess amount and bears interest from that date to the day of payment at the rate set under section 28 of the Tax Administration Act (chapter A-6.002)."

(2) Subsection 1 applies in respect of a payment period that begins after 30 June 2016.

143. (1) Section 1029.8.116.32 of the Act is amended by replacing the first paragraph by the following paragraph:

"**1029.8.116.32.** If, for a particular payment period or for a particular month preceding 1 July 2016, the Minister has refunded to an individual, or allocated to one of the individual's liabilities, an amount exceeding that to which the individual was entitled in respect of the amount that, for that period or for that month, as the case may be, is deemed under section 1029.8.116.16 to be an overpayment of the individual's tax payable, the individual and the person who at the end of the base year relating to that period or to that particular month, as the case may be, is the individual's cohabiting spouse with whom the individual ordinarily lives are solidarily liable for the payment of the excess amount."

(2) Subsection 1 applies from 1 January 2016.

144. (1) Section 1029.8.116.34 of the Act, replaced by section 489 of chapter 21 of the statutes of 2015, is amended

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

"**1029.8.116.34.** If a person is a debtor under a fiscal law or about to become so, or is in debt to the State under an Act, other than a fiscal law, referred to in a regulation made under the second paragraph of section 31 of the Tax Administration Act (chapter A-6.002), and the person is described in the second paragraph for a payment month (in this section referred to as the "particular month"), the Minister may not, despite that section 31, allocate to the payment of the debt of that person more than 50% of the amount to be paid

to the person for the particular month in respect of the amount deemed under section 1029.8.116.16 to be an overpayment of the person's tax payable.";

(2) by replacing "Chapter I or II" in subparagraph *a* of the second paragraph by "any of Chapters I to III";

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

"(*b*) a person whose family income for the base year relating to the payment period that includes the particular month is equal to or less than $20,540, according to the last notice of determination sent to the person."

(2) Subsection 1 applies in respect of an amount allocated after 30 June 2016 for a payment period that begins after that date.

145. (1) Section 1029.8.116.35 of the Act is amended

(1) by striking out "to a cohabiting spouse," in the first paragraph;

(2) by replacing "Chapter I or II" in the second paragraph by "any of Chapters I to III".

(2) Subsection 1 applies from 1 January 2016.

146. (1) The Act is amended by inserting the following after section 1029.8.116.35:

"**DIVISION II.17.3**

"CREDIT ESTABLISHING A FISCAL SHIELD

"§1. — *Interpretation and general rules*

"**1029.8.116.36.** In this division,

"eligible spouse" of an individual for a taxation year means the person who is the individual's eligible spouse for the year within the meaning of sections 776.41.1 to 776.41.4;

"eligible work income" of an individual for a taxation year means the aggregate of

(*a*) subject to section 1029.8.116.37, the individual's income for the year from an office or employment computed under Chapters I and II of Title II of Book III;

(*b*) the amount by which the individual's income for the year from any business the individual carries on either alone or as a partner actively engaged

in the business exceeds the aggregate of the individual's losses for the year from such businesses; and

(*c*) an amount included in computing the individual's income for the year under paragraph *e*.2 or *e*.6 of section 311 or paragraph *h* of section 312;

"family income" of an individual for a taxation year has the meaning assigned by section 1029.8.67;

"total income" of an individual for a taxation year has the meaning assigned by section 1029.8.116.1.

"**1029.8.116.37.** For the purpose of computing an individual's eligible work income for a taxation year, no account is to be taken of an amount included in computing the individual's income for the year from a previous office or employment, if each of the amounts that make up the income is the value of a benefit received or enjoyed by the individual in the year because of that previous office or employment.

"§2. — *Credit*

"**1029.8.116.38.** An individual who is resident in Québec at the end of 31 December of a taxation year (in this section and section 1029.8.116.39 referred to as the "particular year") is deemed to have paid to the Minister on the individual's balance-due day for the particular year, on account of the individual's tax payable for the particular year, provided that the individual makes an application to that effect in the fiscal return the individual is required to file for the particular year, or would be required to so file if tax were payable for the particular year by the individual, the amount determined by the formula

(A – B) + (C – D).

For the purposes of the first paragraph, an individual who was resident in Québec immediately before death is deemed to be resident in Québec at the end of 31 December of the year of the individual's death.

In the formula in the first paragraph,

(*a*) A is the aggregate of the amount that the individual would be deemed to have paid to the Minister for the particular year under section 1029.8.116.5 or 1029.8.116.5.0.1 and, if applicable, the amount that the individual's eligible spouse for the particular year would be deemed to have paid to the Minister for the particular year under either of those sections if the individual's total income for the particular year or, as the case may be, that of the individual's eligible spouse for the particular year were the individual's modified total income for the particular year;

(*b*) B is the aggregate of the amount that the individual is deemed to have paid to the Minister for the particular year under section 1029.8.116.5 or

1029.8.116.5.0.1 and, if applicable, the amount that the individual's eligible spouse for the particular year is deemed to have paid to the Minister for the particular year under either of those sections;

(*c*) C is the aggregate of the amount that the individual would be deemed to have paid to the Minister for the particular year under section 1029.8.79 and, if applicable, the amount that the individual's eligible spouse for the particular year would be deemed to have paid to the Minister for the particular year under that section if the individual's family income for the particular year or, as the case may be, that of the individual's eligible spouse for the particular year were the individual's modified family income for the particular year; and

(*d*) D is the aggregate of the amount that the individual is deemed to have paid to the Minister for the particular year under section 1029.8.79 and, if applicable, the amount that the individual's eligible spouse for the particular year is deemed to have paid to the Minister for the particular year under that section.

For the purposes of subparagraph *a* of the third paragraph and section 1029.8.116.39, "modified total income" of an individual for a particular year means an amount equal to the amount by which the individual's total income for the particular year exceeds 75% of the lesser of

(*a*) the amount equal to the amount by which the individual's total income for the particular year exceeds the aggregate of the individual's income for the taxation year that precedes the particular year (in this section and section 1029.8.116.39 referred to as the "preceding year") and, if applicable, the income for the preceding year of the individual's eligible spouse for the particular year; and

(*b*) the amount equal to the total of

i. the lesser of $2,500 and the amount by which the individual's eligible work income for the particular year exceeds the individual's eligible work income for the preceding year, and

ii. the lesser of $2,500 and the amount by which the eligible work income for the particular year of the individual's eligible spouse for the particular year exceeds the eligible work income for the preceding year of the individual's eligible spouse for the particular year.

For the purposes of subparagraph *c* of the third paragraph, "modified family income" of an individual for a particular year means an amount equal to the amount by which the individual's family income for the particular year exceeds 75% of the lesser of

(*a*) the amount equal to the amount by which the individual's family income for the particular year exceeds the aggregate of the individual's income for the preceding year and, if applicable, the income for the preceding year of the individual's eligible spouse for the particular year; and

(*b*) the amount determined in accordance with subparagraph *b* of the fourth paragraph.

"**1029.8.116.39.** For the purpose of determining an individual's modified total income for a particular year, the following rules apply:

(*a*) the individual's eligible work income for the particular year or, if applicable, that of the individual's eligible spouse for the particular year is deemed to be equal to zero if, at the end of 31 December of the particular year or, if the individual died in the particular year, immediately before the individual's death, the individual or the eligible spouse, as the case may be,

i. is not resident in Québec, or

ii. is confined to a prison or similar institution and has been so confined during the particular year for one or more periods totalling more than six months; and

(*b*) the individual's income for the preceding year or, if applicable, that of the individual's eligible spouse for the particular year is deemed to be equal to zero if, at the end of 31 December of the preceding year, the individual or the eligible spouse, as the case may be,

i. is not resident in Québec, or

ii. is confined to a prison or similar institution and has been so confined during the preceding year for one or more periods totalling more than six months.

For the purposes of the first paragraph, a person who has been allowed, in a taxation year, to be temporarily absent from a prison or similar institution to which the person has been confined is deemed to be confined to that prison or similar institution during each day of the year during which the person has been so allowed to be temporarily absent.

"**1029.8.116.40.** If two individuals are eligible spouses of each other for a taxation year and each individual files, for the year, an application referred to in the first paragraph of section 1029.8.116.38, the amount that each of those individuals is deemed to have paid to the Minister on account of tax payable for the year under that first paragraph is deemed to be equal to 50% of the amount that each would, but for this section, be deemed to have paid to the Minister on account of tax payable for the year under that first paragraph."

(2) Subsection 1 applies from the taxation year 2016.

147. Section 1031 of the Act is repealed.

148. Section 1032 of the Act is amended by replacing "in section 1031" in the first paragraph by "in the second and third paragraphs of section 1031.1".

149. Section 1033.2 of the Act is amended by replacing the portion of the first paragraph before subparagraph *a* by the following:

"**1033.2.** Where, at any particular time in a taxation year (in this section and sections 1033.3 and 1033.4 referred to as the "emigration year"), an individual is deemed by section 785.2 to have disposed of property, other than a right to a benefit under, or an interest in a trust governed by, an employee benefit plan, and the individual elects, in the prescribed form containing prescribed information, on or before the individual's balance-due day for the emigration year, that this section and sections 1033.3 to 1033.6 apply to the emigration year, the following rules apply:".

150. (1) The Act is amended by inserting the following section after section 1035:

"**1035.1.** The Minister may at any time assess a taxpayer in respect of any amount payable under paragraph *g* of section 595 or section 597.0.15, and this Book applies, with the necessary modifications, to an assessment made under this section as though it had been made under Title II."

(2) Subsection 1 applies in respect of an assessment made after 31 December 2006. However, where section 1035.1 of the Act applies in respect of a taxation year that ends before 5 March 2010, it is to be read without reference to "or section 597.0.15".

151. (1) Section 1036 of the Act is replaced by the following section:

"**1036.** If a trust and a resident contributor or a resident beneficiary, a joint contributor and another joint contributor, a transferor and a transferee, an annuitant and an individual, a taxpayer and another person, a trust and a beneficiary or a taxpayer and a holder are, under paragraph *g* of section 595 or any of sections 597.0.15, 1034 to 1034.0.0.3, 1034.1 to 1034.3, 1034.4, 1034.6, 1034.8 and 1034.10, as the case may be, solidarily liable in respect of all or part of a liability of the trust to which that paragraph *g* applies, the joint contributor to which section 597.0.15 applies, the transferor to whom section 1034 applies (in this section referred to as the "transferor concerned"), the transferee to whom section 1034.0.0.3 applies (in this section referred to as the "transferee concerned"), the annuitant, the taxpayer or the trust, as the case may be, the following rules apply:

(*a*) a payment by, and on account of the liability of, the resident contributor or resident beneficiary or the other joint contributor (in this section all referred to as the "particular person"), the transferee to whom section 1034 applies (in this section referred to as the "other transferee"), the transferor to whom section 1034.0.0.3 applies (in this section referred to as the "other transferor"), the individual, the other person, the beneficiary or the holder, as the case may be, discharges, up to the amount of the payment, their solidary liability; and

(*b*) a payment by, and on account of the liability of, the trust to which paragraph *g* of section 595 applies, the joint contributor to which section 597.0.15 applies, the transferor concerned, the transferee concerned, the annuitant, the taxpayer or the trust, discharges the liability of the particular person, the other transferee, the other transferor, the individual, the other person, the beneficiary or the holder, as the case may be, only to the extent that the payment operates to reduce the liability of the trust to which that paragraph *g* applies, the joint contributor to which section 597.0.15 applies, the transferor concerned, the transferee concerned, the annuitant, the taxpayer or the trust to an amount less than the amount in respect of which the particular person, the other transferee, the other transferor, the individual, the other person, the beneficiary or the holder is solidarily liable under that paragraph *g* or any of sections 597.0.15, 1034 to 1034.0.0.3, 1034.1 to 1034.3, 1034.4, 1034.6, 1034.8 and 1034.10, as the case may be."

(2) Subsection 1 applies in respect of a contribution determined in relation to a taxation year that ends after 31 December 2006. However,

(1) where section 1036 of the Act applies in respect of a contribution determined in relation to a taxation year that ends after 31 December 2006 and before 1 January 2008, it is to be read as follows:

"**1036.** If a trust and a resident contributor or a resident beneficiary, a transferor and a transferee, an annuitant and an individual, a taxpayer and another person or a trust and a beneficiary are, under paragraph *g* of section 595 or any of sections 1034 to 1034.0.0.3, 1034.1 to 1034.3, 1034.4, 1034.6 and 1034.8, as the case may be, solidarily liable in respect of all or part of a liability of the trust to which that paragraph *g* applies, the transferor to whom section 1034 applies (in this section referred to as the "transferor concerned"), the transferee to whom section 1034.0.0.3 applies (in this section referred to as the "transferee concerned"), the annuitant, the taxpayer or the trust, as the case may be, the following rules apply:

(*a*) a payment by, and on account of the liability of, the resident contributor or resident beneficiary (in this section all referred to as the "particular person"), the transferee to whom section 1034 applies (in this section referred to as the "other transferee"), the transferor to whom section 1034.0.0.3 applies (in this section referred to as the "other transferor"), the individual, the other person or the beneficiary, as the case may be, discharges, up to the amount of the payment, their solidary liability; and

(*b*) a payment by, and on account of the liability of, the trust to which paragraph *g* of section 595 applies, the transferor concerned, the transferee concerned, the annuitant, the taxpayer or the trust, discharges the liability of the particular person, the other transferee, the other transferor, the individual, the other person or the beneficiary, as the case may be, only to the extent that the payment operates to reduce the liability of the trust to which that paragraph *g* applies, the transferor concerned, the transferee concerned, the annuitant, the taxpayer or the trust to an amount less than the amount in respect of which the

particular person, the other transferee, the other transferor, the individual, the other person or the beneficiary is solidarily liable under that paragraph *g* or any of sections 1034 to 1034.0.0.3, 1034.1 to 1034.3, 1034.4, 1034.6 and 1034.8, as the case may be."; and

(2) where section 1036 of the Act applies in respect of a taxation year that ends after 31 December 2006 and before 5 March 2010, it is to be read as follows:

"**1036.** If a trust and a resident contributor or a resident beneficiary, a transferor and a transferee, an annuitant and an individual, a taxpayer and another person, a trust and a beneficiary or a taxpayer and a holder are, under paragraph *g* of section 595 or any of sections 1034 to 1034.0.0.3, 1034.1 to 1034.3, 1034.4, 1034.6, 1034.8 and 1034.10, as the case may be, solidarily liable in respect of all or part of a liability of the trust to which that paragraph *g* applies, the transferor to whom section 1034 applies (in this section referred to as the "transferor concerned"), the transferee to whom section 1034.0.0.3 applies (in this section referred to as the "transferee concerned"), the annuitant, the taxpayer or the trust, as the case may be, the following rules apply:

(*a*) a payment by, and on account of the liability of, the resident contributor or resident beneficiary (in this section all referred to as the "particular person"), the transferee to whom section 1034 applies (in this section referred to as the "other transferee"), the transferor to whom section 1034.0.0.3 applies (in this section referred to as the "other transferor"), the individual, the other person, the beneficiary or the holder, as the case may be, discharges, up to the amount of the payment, their solidary liability; and

(*b*) a payment by, and on account of the liability of, the trust to which paragraph *g* of section 595 applies, the transferor concerned, the transferee concerned, the annuitant, the taxpayer or the trust, discharges the liability of the particular person, the other transferee, the other transferor, the individual, the other person, the beneficiary or the holder, as the case may be, only to the extent that the payment operates to reduce the liability of the trust to which that paragraph *g* applies, the transferor concerned, the transferee concerned, the annuitant, the taxpayer or the trust to an amount less than the amount in respect of which the particular person, the other transferee, the other transferor, the individual, the other person, the beneficiary or the holder is solidarily liable under that paragraph *g* or any of sections 1034 to 1034.0.0.3, 1034.1 to 1034.3, 1034.4, 1034.6, 1034.8 and 1034.10, as the case may be."

152. Section 1038 of the Act is amended

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

"(*a*) the amount by which the tax payable by the individual for the particular year, determined without reference to the specified tax consequences for the particular year, section 313.11 and Chapter II.1 of Title VI of Book III, but

with reference to the amount that the individual could deduct from the individual's tax otherwise payable for the year under section 776.41.5 if the individual's eligible spouse for the year were not required to include an amount in computing income for the year under section 313.11, exceeds the aggregate of";

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

"i. the tax payable by the individual for the particular year, determined without reference to the specified tax consequences for the particular year, section 313.11 and Chapter II.1 of Title VI of Book III, but with reference to the amount that the individual could deduct from the individual's tax otherwise payable for the year under section 776.41.5 if the individual's eligible spouse for the year were not required to include an amount in computing income for the year under section 313.11, reduced by all amounts deducted or withheld under section 1015, without reference to section 1017.2, in respect of the individual's income for the particular year,".

153. (1) Section 1044 of the Act is amended

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

"**1044.** Where, for a particular taxation year, a taxpayer is entitled to exclude from the taxpayer's income under sections 294 to 298 an amount in respect of the exercise of an option in a subsequent taxation year, to exclude from the taxpayer's income or to deduct an amount by reason of the disposition in a subsequent taxation year of a work of art referred to in section 714.1 or 752.0.10.11.1 by a donee referred to in that section, to deduct an amount relating to a subsequent taxation year, or because of an event in a subsequent taxation year, and referred to in any of paragraphs *b* to *b*.1.0.1, *c* to *d*.1.0.0.2, *d*.1.1 and *f* to *h* of section 1012.1, to deduct an amount under any of sections 785.2.2 to 785.2.4 from the proceeds of disposition of a property because of an election made in a fiscal return for a subsequent taxation year or to reduce an amount included in computing the taxpayer's income under section 580 for the particular taxation year because of a reduction referred to in section 1012.2 in the foreign accrual property income of a foreign affiliate of the taxpayer for a taxation year of the foreign affiliate that ends in the particular taxation year, the tax payable under this Part by the taxpayer for the particular taxation year is deemed, for the purpose of computing interest payable under sections 1037 to 1040, to be equal to the tax that the taxpayer would have been required to pay if the consequences of the deduction, exclusion or reduction of those amounts were not taken into account.";

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

"However, the amount by which the tax payable under this Part by the taxpayer for the particular taxation year is reduced as a consequence of the

exclusion from the income, the deduction or the reduction, as the case may be, of an amount described in the first paragraph is deemed, for the purpose of computing interest payable under sections 1037 to 1040, to have been paid by the taxpayer on account of the taxpayer's tax payable under this Part for the particular taxation year on the latest of

(*a*) the day on which an amended fiscal return of the taxpayer or a prescribed form was filed in accordance with any of sections 297, 716.0.1, 752.0.10.15, 1012, 1012.2, 1054, 1055.1.2 and 1055.1.3 so as to exclude from the taxpayer's income, to deduct or to reduce the amount for the particular taxation year;".

(2) Paragraph 1 of subsection 1, except where it adds, in the first paragraph of section 1044 of the Act, a reference to paragraph *d*.1.0.0.2 of section 1012.1 of the Act, and paragraph 2 of subsection 1 apply to a taxation year that begins after 18 December 2009.

(3) Paragraph 1 of subsection 1, where it adds, in the first paragraph of section 1044 of the Act, a reference to paragraph *d*.1.0.0.2 of section 1012.1 of the Act, has effect from 27 March 2015.

(4) Despite sections 1010 to 1011 of the Act, where a taxpayer has made a valid election under paragraph *b* of section 53 of the Technical Tax Amendments Act, 2012 (Statutes of Canada, 2013, chapter 34) in relation to section 35 of that Act, the Minister of Revenue shall, under Part I of the Taxation Act, make any assessments of the taxpayer's tax, interest and penalties as are necessary for any taxation year to give effect to paragraphs 1 and 2 of subsection 1 and subsection 2. Sections 93.1.8 and 93.1.12 of the Tax Administration Act (chapter A-6.002) apply to such assessments, with the necessary modifications.

(5) Chapter V.2 of Title II of Book I of Part I of the Taxation Act applies in relation to an election referred to in subsection 4. For the purposes of section 21.4.7 of the Act in respect of such an election, a taxpayer is deemed to have complied with a requirement of section 21.4.6 of the Act if the taxpayer complies with it on or before 1 June 2016.

154. (1) Section 1053 of the Act is amended by replacing the portion before paragraph *b* by the following:

"**1053.** For the purposes of section 1052, the portion of any overpayment of the tax payable by a taxpayer for a taxation year that arose as a consequence of the exclusion of an amount from the taxpayer's income under sections 294 to 298 in respect of the exercise of an option in a subsequent taxation year, as a consequence of the exclusion of an amount from the taxpayer's income, or of the deduction of an amount, by reason of the disposition, in a subsequent taxation year, of a work of art referred to in section 714.1 or 752.0.10.11.1 by a donee referred to in that section, as a consequence of the deduction of an amount relating to a subsequent taxation year, or because of an event in a subsequent taxation year, and referred to in any of paragraphs *b* to *b*.1.0.1, *c* to *d*.1.0.0.2, *d*.1.1 and *f* to *h* of section 1012.1, as a consequence of the

deduction of an amount under any of sections 785.2.2 to 785.2.4 from the proceeds of disposition of a property because of an election made in a fiscal return for a subsequent taxation year, as a consequence of the reduction of an amount included in computing the taxpayer's income under section 580 for the taxation year because of a reduction referred to in section 1012.2 in the foreign accrual property income of a foreign affiliate of the taxpayer for a taxation year of the foreign affiliate that ends in the taxation year, or as a consequence of the deduction of an amount relating to a preceding taxation year and referred to in any of sections 727 to 737 where that deduction is claimed after the expiry of the time limit provided for in section 1000 applicable to the taxation year, is deemed to have been paid to the Minister on the latest of

(*a*) the 46th day following the day on which an amended fiscal return of the taxpayer or a prescribed form was filed in accordance with any of sections 297, 716.0.1, 752.0.10.15, 1012, 1012.2, 1054, 1055.1.2 and 1055.1.3 so as to exclude from the taxpayer's income, to deduct or to reduce the amount for the taxation year;".

(2) Subsection 1, except where it adds, in the portion of section 1053 of the Act before paragraph *a*, a reference to paragraph *d*.1.0.0.2 of section 1012.1 of the Act, applies to a taxation year that begins after 18 December 2009.

(3) Subsection 1, where it adds, in the portion of section 1053 of the Act before paragraph *a*, a reference to paragraph *d*.1.0.0.2 of section 1012.1 of the Act, has effect from 27 March 2015.

(4) Despite sections 1010 to 1011 of the Act, where a taxpayer has made a valid election under paragraph *b* of section 53 of the Technical Tax Amendments Act, 2012 (Statutes of Canada, 2013, chapter 34) in relation to section 36 of that Act, the Minister of Revenue shall, under Part I of the Taxation Act, make any assessments of the taxpayer's tax, interest and penalties as are necessary for any taxation year to give effect to subsections 1 and 2. Sections 93.1.8 and 93.1.12 of the Tax Administration Act (chapter A-6.002) apply to such assessments, with the necessary modifications.

(5) Chapter V.2 of Title II of Book I of Part I of the Taxation Act applies in relation to an election referred to in subsection 4. For the purposes of section 21.4.7 of the Act in respect of such an election, a taxpayer is deemed to have complied with a requirement of section 21.4.6 of the Act if the taxpayer complies with it on or before 1 June 2016.

155. Section 1086.29 of the Act is amended by replacing "1031" by "1031.1".

156. Section 1091 of the Act is amended

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

"(*c*) where all or substantially all of the individual's income for the year, as determined under section 28, is included in computing the individual's taxable income earned in Canada for the year, determined with reference to the second paragraph, such of the other deductions from income, except the deductions described in sections 726.33, 737.14, 737.16, 737.16.1, 737.18.10, 737.18.34, 737.21, 737.22.0.0.3, 737.22.0.0.7, 737.22.0.3, 737.22.0.4.7, 737.22.0.7, 737.22.0.10 and 737.22.0.13, permitted for the purpose of computing the individual's taxable income as may reasonably be considered wholly applicable.";

(2) by adding the following paragraph:

"For the purposes of subparagraph *c* of the first paragraph, the taxable income earned in Canada by an individual for a taxation year is determined as if section 1090 were read for the year without reference to its second, third and fourth paragraphs and as if subparagraph *a* of the first paragraph of that section were replaced, for the year, by the following subparagraph:

"(*a*) the aggregate of the income from the duties of offices or employments performed by the individual in Canada and the income from the duties of offices or employments performed by the individual outside Canada if the individual was resident in Canada at the time the individual performed the duties;"."

157. (1) Section 1121.10 of the Act is replaced by the following section:

"**1121.10.** For the purposes of subparagraph *e* of the second paragraph of section 248, section 306, paragraph *a* of section 657 and sections 657.1, 663, 1121.11 and 1121.12 and despite section 652, each amount that is paid, or that becomes payable, by a trust to a beneficiary after the end of a particular taxation year of the trust that ends on 15 December of a calendar year because of section 1121.7 and before the end of that calendar year is deemed to have been paid or to have become payable, as the case may be, to the beneficiary at the end of the particular taxation year."

(2) Subsection 1 applies in respect of an amount that, after 31 December 1999, is paid or has become payable by a trust.

158. Section 1129.23.4 of the Act is amended by replacing "1031" by "1031.1".

159. Section 1129.23.4.4 of the Act is amended by replacing "1031" by "1031.1".

160. Section 1129.23.4.8 of the Act is amended by replacing "1031" by "1031.1".

161. Section 1129.23.8 of the Act is amended by replacing "1031" by "1031.1".

162. (1) The Act is amended by inserting the following after section 1129.27.18:

"**PART III.6.5**

"SPECIAL TAX RELATING TO THE NON-REFUNDABLE TAX CREDIT FOR THE DEVELOPMENT OF E-BUSINESS

"**1129.27.19.** In this Part, "unused portion of the tax credit" of a corporation for a taxation year has the meaning assigned by section 776.1.19.

"**1129.27.20.** Every corporation that has deducted an amount under section 776.1.20 or 776.1.21 for a taxation year shall pay the tax computed under the second paragraph for a subsequent taxation year (in this section referred to as the "repayment year") in which an amount relating to wages included in computing the qualified wages, for the purposes of Division II.6.0.1.9 of Chapter III.1 of Title III of Book IX of Part I, paid by the corporation to an individual for a taxation year preceding the repayment year, other than an amount described in subparagraph i or ii of paragraph *b* of the definition of "qualified wages" in the first paragraph of section 1029.8.36.0.3.79, is, directly or indirectly, refunded or otherwise paid to the corporation or allocated to a payment to be made by the corporation, or obtained by a person or partnership.

The tax to which the first paragraph refers is equal to the amount by which the aggregate of all amounts each of which is an amount deducted by the corporation for a taxation year preceding the repayment year under section 776.1.20 or under section 776.1.21 in respect of the unused portion of the tax credit of the corporation for a taxation year preceding the repayment year exceeds the total of

(*a*) the aggregate of all amounts each of which is the maximum amount that the corporation could have deducted under section 776.1.20 for a particular taxation year preceding the repayment year if it had had sufficient tax payable under Part I for the particular taxation year and if, for the purposes of paragraph *b* of the definition of "qualified wages" in the first paragraph of section 1029.8.36.0.3.79,

i. any amount referred to in the first paragraph for the repayment year or for a preceding taxation year, relating to wages included in computing the qualified wages, for the purposes of Division II.6.0.1.9 of Chapter III.1 of Title III of Book IX of Part I, paid by the corporation to an individual for the particular taxation year, that is received or obtained at or before the end of the repayment year, had been received or obtained in the particular taxation year, and

ii. any amount referred to in the first paragraph of section 776.1.24 for the repayment year or for a preceding taxation year, relating to wages included in computing the qualified wages, for the purposes of Division II.6.0.1.9 of Chapter III.1 of Title III of Book IX of Part I, paid by the corporation to an

individual for the particular taxation year, that is paid or deemed to be paid under section 776.1.25 at or before the end of the repayment year, had been paid or deemed to be paid in the particular taxation year; and

(*b*) the aggregate of all amounts each of which is a tax that the corporation is required to pay to the Minister under this section for a taxation year preceding the repayment year.

"**1129.27.21.** For the purposes of Part I, except Title III.4 of Book V and Division II.6.0.1.9 of Chapter III.1 of Title III of Book IX, the tax paid at any time by a corporation to the Minister under section 1129.27.20 in relation to qualified wages, for the purposes of that Division II.6.0.1.9, is deemed to be an amount of assistance repaid at that time by the corporation in respect of the qualified wages, pursuant to a legal obligation.

"**1129.27.22.** Unless otherwise provided in this Part, the first paragraph of section 549, section 564 where it refers to the first paragraph of section 549, sections 1000 to 1024, subparagraph *b* of the first paragraph of section 1027 and sections 1037 to 1079.16 apply to this Part, with the necessary modifications."

(2) Subsection 1 has effect from 27 March 2015.

163. Section 1129.54 of the Act is amended by replacing "1031" by "1031.1".

164. Section 1129.66 of the Act is amended by replacing "1031" by "1031.1".

165. (1) Section 1129.77 of the Act is amended by replacing the definition of "specified trust" by the following definition:

""specified trust" for a taxation year means an inter vivos trust that was not resident, nor is deemed under paragraph *a* of section 595 to have been resident, in Canada at any time in the year and that is not exempt from tax payable under Part I because of Book VIII of that Part;".

(2) Subsection 1 applies to a taxation year that ends after 19 March 2012.

166. (1) Section 1175.28.13 of the Act is replaced by the following section:

"**1175.28.13.** If a person is required to pay tax for any taxation year under section 1175.28.12, the tax that the person is required to pay for a subsequent taxation year, under a particular provision of any of Parts III.6.4, III.6.5, VI.2 and VI.3, may not, despite the particular provision, be greater than the amount by which the tax otherwise determined exceeds the portion of that tax that may reasonably be considered to have become payable by the person under section 1175.28.12 for a taxation year preceding the subsequent taxation year."

(2) Subsection 1 has effect from 27 March 2015.

167. (1) Section 1175.28.14 of the Act is amended by replacing paragraph *a*.1 by the following paragraph:

"(*a*.1) the portion of that tax that is determined under subparagraph *a* of the third paragraph of that section and that may reasonably be considered as relating to a deduction under Title III.3 or III.4 of Book V of Part I in relation to an expense, is deemed to be, for the purposes of Part I, except for that Title III.3 or III.4 and Division II.6.0.1.9 of Chapter III.1 of Title III of Book IX of Part I, as the case may be, and the definition referred to in paragraph *a*, an amount of assistance repaid at that time by the person in respect of the expense pursuant to a legal obligation;".

(2) Subsection 1 has effect from 27 March 2015.

ACT TO FACILITATE THE PAYMENT OF SUPPORT

168. Section 23 of the Act to facilitate the payment of support (chapter P-2.2) is amended by replacing the second paragraph by the following paragraph:

"The Minister shall, in addition, file with the clerk of the court a statement of the Minister's claim and notify the seizing creditor, who shall then file the creditor's claim in the record of the support case concerned. The Minister shall also notify the bailiff, where applicable."

169. Section 24 of the Act is replaced by the following section:

"**24.** Where the Minister acts as claimant or seizing creditor, the clerk or the bailiff, as applicable, shall release the seizure in the hands of a third person once the other claims have been satisfied and shall give notice thereof to the Minister and the garnishee. The provisions relating to deductions at source apply, with the necessary modifications, from that time."

170. Section 47 of the Act is amended by striking out the second and third paragraphs.

171. The Act is amended by inserting the following section after section 47:

"**47.1.** The execution of a judgment under this Act is to proceed in accordance with the rules of Book VIII of the Code of Civil Procedure (chapter C-25.01), subject to the special rules set out in this Act and the following rules:

(1) the Minister may enter into an agreement with a person owing an amount under this Act for the payment of instalments over a period of time, which may exceed one year, that the Minister determines; such an agreement need not be filed with the court office;

(2) the Minister shall act as seizing creditor for himself or for the support creditor; the Minister shall prepare the notice of execution and file it with the court office; the notice is valid only for the execution of a judgment effected under this Act and does not prevent the filing of a notice for the execution of another judgment; if the Minister acts for the support creditor, the Minister may exercise the powers granted to the support creditor under Division III of Chapter IV of Title I of that Book VIII;

(3) the Minister seizes a sum of money or income in the hands of a third person, but entrusts the administration of subsequent steps, including the receipt and distribution of the sum or income, to the clerk of the court seized; the Minister serves the notice of execution on the defendant and the garnishee, but is not required to inform the defendant's creditors or deal with their claims, or to join in a seizure in the hands of a third person already undertaken by a bailiff in another case if the seizure to be made by the Minister is for other sums or income than the sums or income specified in the notice of execution filed by the bailiff;

(4) the Minister is required to hire the services of a bailiff for the seizure of movable or immovable property, to give the bailiff instructions and to amend the notice of execution accordingly; in such a case, if a notice for the execution of a judgment was filed by a bailiff in another case prior to the Minister's request, the Minister or the bailiff hired by the Minister joins in the seizure already undertaken.

The Minister is not required to pay an advance to cover execution-related costs."

ACT RESPECTING THE SECTORAL PARAMETERS OF CERTAIN FISCAL MEASURES

172. (1) Section 4 of the Act respecting the sectoral parameters of certain fiscal measures (chapter P-5.1) is amended by inserting the following definition in alphabetical order:

""filing-due date" applicable to a person for a taxation year has the meaning assigned by section 1 of the Taxation Act;".

(2) Subsection 1 has effect from 27 March 2015.

173. (1) The Act is amended by inserting the following section after section 5:

"**5.1.** In applying the rules of paragraphs 3 to 6 of section 5, section 1029.6.0.1.7 of the Taxation Act (chapter I-3) must be taken into account."

(2) Subsection 1 has effect from 27 March 2015.

174. (1) The Act is amended by inserting the following section after section 9:

"**9.1.** Subject to a special provision of the applicable schedule, where a fiscal measure consists in allowing a person to benefit from an amount deemed to have been paid on account of tax payable for a particular taxation year, the application must be filed with the responsible minister or body at or before the end of the nine-month period that begins,

(1) where the person avails himself, herself or itself of the fiscal measure as a member of a partnership, on the day that follows the date of the end of the partnership's fiscal period that ends in the particular taxation year; or

(2) in any other case, on the day that follows the person's filing-due date for the particular taxation year.

The responsible minister or body may, on reasonable grounds, relieve a person or a partnership from failure to comply with the time limit provided for in the first paragraph if the application has been filed with the minister or body within three months of the expiry of that time limit."

(2) Subsection 1 applies, in relation to an application that is to be filed by a person, to a taxation year that begins after 26 March 2015 and, in relation to an application that is to be filed by a partnership, to a fiscal period that begins after 26 March 2015.

175. Section 13.2 of Schedule A to the Act, amended by section 553 of chapter 21 of the statutes of 2015, is again amended by striking out the fifth paragraph.

176. (1) Section 13.6 of Schedule A to the Act, amended by section 556 of chapter 21 of the statutes of 2015, is again amended by replacing the portion of the first paragraph before subparagraph 1 by the following:

"**13.6.** The criterion relating to services provided is met if at least 75% of the corporation's gross revenue deriving from activities described in subparagraphs 5 and 7 to 9 of the first paragraph of section 13.5 (other than activities the results of which must be integrated into property intended for sale or whose purpose concerns the operation of such property) is attributable to the following services:".

(2) Subsection 1 applies to a taxation year that begins after 26 March 2015.

177. (1) Section 13.12 of Schedule A to the Act, amended by section 558 of chapter 21 of the statutes of 2015, is again amended

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

"(1) activities not primarily related to e-business;";

(2) by inserting the following paragraph after the first paragraph:

"For the purposes of subparagraph 1 of the first paragraph, a corporation's activities carried out by an employee of the corporation are deemed not to be related to e-business if their results must be integrated into property intended for sale or their purpose concerns the operation of such property."

(2) Subsection 1 applies to a taxation year that begins after 26 March 2015.

178. (1) Section 16.2 of Schedule A to the Act, enacted by section 559 of chapter 21 of the statutes of 2015, is amended by replacing the third paragraph by the following paragraph:

"Despite the second paragraph, Investissement Québec may accept only the application for a certificate, in respect of a contract, filed with Investissement Québec after 26 March 2015 and before 1 January 2020."

(2) Subsection 1 applies in respect of an application for a certificate that is filed after 26 March 2015, in relation to a contract whose negotiation began after that date and before 1 January 2020.

179. (1) Section 6.2 of Schedule E to the Act is amended by adding "However, where, at any time in a taxation year, the corporation begins to carry on an activity or part of an activity transferred to it by the particular corporation referred to in section 6.4.1, the period of validity of the corporation qualification certificate issued to the corporation may not end after the day on which the period of validity of the corporation qualification certificate issued to the particular corporation in respect of that activity or part of activity would otherwise have ended." at the end of the third paragraph.

(2) Subsection 1 has effect from 21 March 2012.

180. (1) Section 6.3 of Schedule E to the Act, amended by section 569 of chapter 21 of the statutes of 2015, is again amended by replacing the first paragraph by the following paragraph:

"**6.3.** A corporation qualification certificate issued to a corporation certifies that all the activities specified in the certificate that are carried on, or to be carried on, by the corporation are recognized as eligible activities."

(2) Subsection 1 has effect from 21 March 2012.

181. (1) Section 6.4 of Schedule E to the Act, amended by section 570 of chapter 21 of the statutes of 2015, is again amended by replacing the first paragraph by the following paragraph:

"**6.4.** The Minister may issue a corporation qualification certificate only if

(1) the net shareholders' equity of the corporation for its taxation year preceding that in which the corporation files its application for the certificate or, where the corporation is in its first fiscal period, at the beginning of that fiscal period, is less than $15,000,000; and

(2) the corporation establishes to the Minister's satisfaction that the activities that are carried on, or to be carried on, by the corporation are not a continuation of activities or a part of activities previously carried on by another person or partnership."

(2) Subsection 1 has effect from 21 March 2012.

182. (1) The Act is amended by inserting the following section after section 6.4 of Schedule E:

"**6.4.1.** If, at a particular time, a particular corporation transfers to another corporation an activity or part of an activity specified in the unrevoked corporation qualification certificate that was issued to the particular corporation, the activity or part of activity so transferred is deemed, for the purpose of applying subparagraph 2 of the first paragraph of section 6.4 in respect of the other corporation, not to have been carried on by the particular corporation before that time. In addition, the Minister specifies the activity or part of activity so transferred in the corporation qualification certificate issued to the other corporation and withdraws it from the corporation qualification certificate that was issued to the particular corporation. These modifications become effective at that time."

(2) Subsection 1 has effect from 21 March 2012.

183. (1) Section 6.7 of Schedule E to the Act, amended by section 572 of chapter 21 of the statutes of 2015, is again amended

(1) by adding the following paragraph after paragraph 2:

"(3) it is established to the Minister's satisfaction that all or substantially all of the activities the corporation carried out consisted in activities or parts of activities not previously carried on by another person or partnership.";

(2) by adding the following paragraph:

"If an activity or part of an activity was the subject at a particular time of a transfer referred to in section 6.4.1 and made by a particular corporation, the activity or part of activity is deemed, for the purposes of subparagraph 3 of the first paragraph, not to have been carried on by the particular corporation before that time."

(2) Subsection 1 has effect from 21 March 2012.

184. (1) Section 3.2 of Schedule H to the Act, amended by section 574 of chapter 21 of the statutes of 2015, is again amended by replacing the third and fourth paragraphs by the following paragraphs:

"If, at any time in the taxation year for which the corporation intends to benefit from the tax credit for Québec film productions or in the 24 months that precede that year, the corporation is not dealing at arm's length with a corporation that is a television broadcaster, it must also obtain a certificate (in this chapter referred to as a "non-arm's length certificate") from the Société de développement des entreprises culturelles.

The certificate referred to in subparagraph 2 of the second paragraph must be obtained for each taxation year for which the corporation intends to avail itself in respect of a film of subparagraph *a*.1 of the first paragraph of section 1029.8.35 of the Taxation Act. Similarly, the non-arm's length certificate must be obtained for each taxation year referred to in the third paragraph for which the corporation intends to claim the tax credit for Québec film productions."

(2) Subsection 1 applies in respect of an application for a certificate for a taxation year that begins after 26 March 2015.

185. (1) Section 3.4 of Schedule H to the Act is amended by replacing the first paragraph by the following paragraph:

"**3.4.** A favourable advance ruling or a qualification certificate given or issued to a corporation under this chapter certifies that the film referred to in it is recognized as a Québec film production. In addition, the favourable advance ruling or the qualification certificate specifies, if applicable, that the film is a film in a foreign format."

(2) Subsection 1 applies in respect of a film for which an application for an advance ruling or, in the absence of such an application, an application for a qualification certificate is filed with the Société de développement des entreprises culturelles after 26 March 2015.

186. (1) Section 3.10 of Schedule H to the Act, amended by section 576 of chapter 21 of the statutes of 2015, is again amended by replacing subparagraph 4 of the first paragraph by the following subparagraph:

"(4) if a film is produced by a corporation that does not deal at arm's length with a corporation that is a television broadcaster, it must be initially broadcast by a television broadcaster other than a corporation with which the corporation does not deal at arm's length;".

(2) Subsection 1 applies in respect of an application for an advance ruling or a qualification certificate filed in relation to a film in respect of which a labour expenditure is incurred in a taxation year that begins after 26 March 2015.

187. (1) Schedule H to the Act is amended by inserting the following section after section 3.14:

"**3.14.1.** For the purposes of the first paragraph of section 3.4, a film is a film in a foreign format if

(1) in the case of a film whose primary market is the television market,

(*a*) a licence for adaptation in Québec was issued in respect of the film, which is derived from a television concept created outside Québec, and

(*b*) the licence specifies the format elements of the program or of the episodes that will form a series, such as the title, idea, structure and subjects, the description of the plot and of the characters, the target audience and the duration of each episode; or

(2) in the case of a film whose primary market is the theatrical market,

(*a*) the rights with respect to the film were granted for adaptation in Québec, and

(*b*) the film is a new version of a film previously brought to the screen that is not itself derived from a storyline adapted from another work, such as a literary or theatrical work, and the storyline of that new version reprises the plot and characters of the film previously brought to the screen."

(2) Subsection 1 applies in respect of a film for which an application for an advance ruling or, in the absence of such an application, an application for a qualification certificate is filed with the Société de développement des entreprises culturelles after 26 March 2015.

188. (1) The heading of Division VII of Chapter III of Schedule H to the Act, replaced by section 577 of chapter 21 of the statutes of 2015, is again replaced by the following heading:

"NON-ARM'S LENGTH CERTIFICATE".

(2) Subsection 1 has effect from 27 March 2015.

189. (1) Section 3.26 of Schedule H to the Act, amended by section 578 of chapter 21 of the statutes of 2015, is again amended by replacing the first paragraph by the following paragraph:

"**3.26.** An application for a non-arm's length certificate for a particular taxation year must be filed by a corporation not later than six months after the end of its taxation year preceding the particular year."

(2) Subsection 1 applies in respect of an application for a certificate for a taxation year that begins after 26 March 2015.

190. (1) Sections 3.27 and 3.28 of Schedule H to the Act, replaced by section 579 of chapter 21 of the statutes of 2015, are again replaced by the following sections:

"**3.27.** A non-arm's length certificate issued to a corporation certifies that over 50% of its production costs for the last three taxation years, preceding the particular taxation year referred to in section 3.26, during which a film was produced, were incurred in relation to films broadcast by a television broadcaster with which the corporation deals at arm's length.

"**3.28.** The Société de développement des entreprises culturelles may refuse to issue to a corporation, or may revoke, a non-arm's length certificate if it becomes aware of a significant change in the volume of films produced by the corporation that are broadcast by the television broadcaster with which the corporation does not deal at arm's length."

(2) Subsection 1 applies in respect of an application for a certificate for a taxation year that begins after 26 March 2015.

191. (1) Section 5.2 of Schedule H to the Act, amended by section 581 of chapter 21 of the statutes of 2015, is again amended by replacing the third paragraph by the following paragraph:

"If, at any time in the taxation year for which the corporation intends to benefit from the film production services tax credit or in the 24 months that precede that year, the corporation does not deal at arm's length with a corporation that is a television broadcaster, it must also obtain a certificate (in this chapter referred to as a "non-arm's length certificate") from the Société de développement des entreprises culturelles. The certificate must be obtained for each taxation year for which the corporation intends to claim the tax credit."

(2) Subsection 1 applies in respect of an application for a certificate for a taxation year that begins after 26 March 2015.

192. (1) The heading of Division IV of Chapter V of Schedule H to the Act, replaced by section 583 of chapter 21 of the statutes of 2015, is again replaced by the following heading:

"NON-ARM'S LENGTH CERTIFICATE".

(2) Subsection 1 has effect from 27 March 2015.

193. (1) Section 5.10 of Schedule H to the Act, amended by section 584 of chapter 21 of the statutes of 2015, is again amended by replacing the first paragraph by the following paragraph:

"**5.10.** An application for a non-arm's length certificate, for a particular taxation year, must be filed by a corporation not later than six months after the end of its taxation year preceding the particular year."

(2) Subsection 1 applies in respect of an application for a certificate for a taxation year that begins after 26 March 2015.

194. (1) Sections 5.11 and 5.12 of Schedule H to the Act, replaced by section 585 of chapter 21 of the statutes of 2015, are again replaced by the following sections:

"**5.11.** A non-arm's length certificate issued to a corporation certifies that over 50% of its production costs for the last three taxation years preceding the particular taxation year referred to in section 5.10, during which a film was produced, were incurred in relation to films broadcast by a television broadcaster with which the corporation deals at arm's length.

"**5.12.** The Société de développement des entreprises culturelles may refuse to issue to a corporation, or may revoke, a non-arm's length certificate if it becomes aware of a significant change in the volume of films produced by the corporation that are broadcast by the television broadcaster with which the corporation does not deal at arm's length."

(2) Subsection 1 applies in respect of an application for a certificate for a taxation year that begins after 26 March 2015.

ACT RESPECTING THE LEGAL PUBLICITY OF ENTERPRISES

195. Section 6 of the Act respecting the legal publicity of enterprises (chapter P-44.1) is replaced by the following section:

"**6.** The registrar may, by notice and with the concurrence of the Minister, delegate some or all of the registrar's powers to an employee designated under section 4. The notice is published in the *Gazette officielle du Québec*."

196. Section 7 of the Act is replaced by the following section:

"**7.** The registrar may, by notice and with the concurrence of the Minister, delegate to a person other than an employee designated under section 4, subject to the restrictions and conditions determined by the registrar, the power to register, to make corrections under sections 93 to 95 and to issue copies, extracts or attestations or certify copies or extracts under any of sections 105 to 108. The notice is published in the *Gazette officielle du Québec*.

A delegation to a person other than an employee under the responsibility of the Agence du revenu du Québec must be the subject of an agreement entered into by the Minister."

ACT RESPECTING THE RÉGIE DE L'ASSURANCE MALADIE DU QUÉBEC

197. (1) Section 37.16 of the Act respecting the Régie de l'assurance maladie du Québec (chapter R-5), amended by section 596 of chapter 21 of the statutes of 2015 and section 166 of chapter 24 of the statutes of 2015, is again amended

(1) by replacing the definition of "exempt individual" by the following definition:

""exempt individual" for a year means an individual who is exempted under any of subparagraphs *a* to *c* and *f* of the first paragraph of section 96 of the Tax Administration Act (chapter A-6.002) from the tax for the year under Part I of the Taxation Act (chapter I-3);";

(2) by striking out the definition of "family income".

(2) Subsection 1 applies from the year 2017.

198. (1) Section 37.17 of the Act, replaced by section 598 of chapter 21 of the statutes of 2015 and section 168 of chapter 24 of the statutes of 2015, is amended

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

"**37.17.** Every individual described in section 37.18 in respect of a particular year is required to pay for the particular year, on the due date applicable to the individual for the particular year, a contribution that is, without exceeding the limit applicable for the particular year, equal to the aggregate of the amount—where an election is made under subparagraph *b* of the first paragraph of section 37.16.1—determined under the second paragraph and

(*a*) where the particular year is the year 2015 or 2016,

i. if the individual's income for the year does not exceed $40,820, an amount equal to the lesser of $100 and 5% of the amount by which that income exceeds $18,370,

ii. if the individual's income for the year is greater than $40,820 but does not exceed $132,650, an amount equal to the lesser of $200 and the aggregate of $100 and 5% of the amount by which that income exceeds $40,820, or

iii. if the individual's income for the year is greater than $132,650, an amount equal to the lesser of $1,000 and the aggregate of $200 and 4% of the amount by which that income exceeds $132,650;

(*b*) where the particular year is the year 2017,

i. if the individual's income for the year does not exceed $132,650, an amount equal to the lesser of $125 and 5% of the amount by which that income exceeds $40,820, or

ii. if the individual's income for the year is greater than $132,650, an amount equal to the lesser of $800 and the aggregate of $125 and 4% of the amount by which that income exceeds $132,650; or

(*c*) where the particular year is the year 2018,

i. if the individual's income for the year does not exceed $132,650, an amount equal to the lesser of $80 and 5% of the amount by which that income exceeds $40,820, or

ii. if the individual's income for the year is greater than $132,650, an amount equal to the lesser of $600 and the aggregate of $80 and 4% of the amount by which that income exceeds $132,650.";

(2) by adding the following paragraph after the fourth paragraph:

"For the purposes of the first paragraph, the limit applicable for a particular year means

(*a*) $1,000, where the particular year is the year 2015 or 2016;

(*b*) $800, where the particular year is the year 2017; and

(*c*) $600, where the particular year is the year 2018."

(2) Subsection 1 applies from the year 2015.

(3) In addition, where, because of section 37.21 of the Act,

(1) sections 1025 and 1038 of the Taxation Act (chapter I-3) apply for the purpose of computing both the amount of a payment that an individual is required to make for the year 2017 in respect of the amount that the individual is required to pay under section 37.17 of the Act respecting the Régie de l'assurance maladie du Québec (chapter R-5) and the interest, if any, that the individual is required to pay in respect of that payment, subparagraph *b* of the first paragraph of that section 37.17, enacted by paragraph 1 of subsection 1, is deemed to have also been in force for the year 2016 and subparagraph *a* of that first paragraph, enacted by that paragraph 1, is deemed not to have been in force;

(2) sections 1026 and 1038 of the Taxation Act apply for the purpose of computing both the amount of a payment that an individual is required to make for the year 2017 in respect of the amount that the individual is required to pay under section 37.17 of the Act respecting the Régie de l'assurance maladie du Québec and the interest, if any, that the individual is required to pay in respect of that payment, subparagraph *b* of the first paragraph of that section 37.17,

enacted by paragraph 1 of subsection 1, is deemed to have also been in force for the years 2015 and 2016 and subparagraph *a* of that first paragraph, enacted by that paragraph 1, is deemed not to have been in force;

(3) sections 1025 and 1038 of the Taxation Act apply for the purpose of computing both the amount of a payment that an individual is required to make for the year 2018 in respect of the amount that the individual is required to pay under section 37.17 of the Act respecting the Régie de l'assurance maladie du Québec and the interest, if any, that the individual is required to pay in respect of that payment, subparagraph *c* of the first paragraph of that section 37.17, enacted by paragraph 1 of subsection 1, is deemed to have also been in force for the year 2017 and subparagraph *b* of that first paragraph, enacted by that paragraph 1, is deemed not to have been in force; and

(4) sections 1026 and 1038 of the Taxation Act apply for the purpose of computing both the amount of a payment that an individual is required to make for the year 2018 in respect of the amount that the individual is required to pay under section 37.17 of the Act respecting the Régie de l'assurance maladie du Québec and the interest, if any, that the individual is required to pay in respect of that payment, subparagraph *c* of the first paragraph of that section 37.17, enacted by paragraph 1 of subsection 1, is deemed to have also been in force for the years 2016 and 2017 and subparagraphs *a* and *b* of that first paragraph, enacted by that paragraph 1, are deemed not to have been in force.

199. (1) Section 37.17.1 of the Act, enacted by section 599 of chapter 21 of the statutes of 2015, is amended by replacing the portion of the first paragraph before the formula by the following:

"**37.17.1.** The amounts of $18,370, $40,820 and $132,650 that must be used for the application of the first paragraph of section 37.17 to a year subsequent to the year 2015 must, wherever they appear in that paragraph, be adjusted annually in such a manner that each of those amounts used for that year is equal to the total of the amount used for the preceding year and of the product obtained by multiplying that amount so used by the factor determined by the formula".

(2) Subsection 1 applies from the year 2016.

EDUCATIONAL CHILDCARE ACT

200. (1) The Educational Childcare Act (chapter S-4.1.1) is amended by inserting the following section after section 88.1:

"**88.1.1.** For the purposes of the definition of "family income" in section 88.1, where an individual was not, for the purposes of the Taxation Act (chapter I-3), resident in Canada throughout a year, the individual's income for the year is deemed to be equal to the income that would be determined in respect of the individual for the year under Part I of that Act if the individual had, for the purposes of that Act, been resident in Québec and in Canada

throughout the year or, where the individual died in the year, throughout the period of the year preceding the time of death."

(2) Subsection 1 has effect from 21 April 2015.

ACT RESPECTING THE QUÉBEC SALES TAX

201. (1) Section 1 of the Act respecting the Québec sales tax (chapter T-0.1), amended by section 615 of chapter 21 of the statutes of 2015, is again amended

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

""administrator" of a pooled registered pension plan has the meaning assigned to "administrator" by the first paragraph of section 965.0.19 of the Taxation Act (chapter I-3);";

(2) by striking out subparagraph *b* of paragraph 1 of the definition of "builder";

(3) by replacing the definition of "participating employer" by the following definition:

""participating employer" of a pension plan means

(1) in the case of a registered pension plan, an employer that has made, or is required to make, contributions to the pension plan in respect of the employer's employees or former employees, or payments under the pension plan to the employer's employees or former employees, and includes an employer prescribed for the purposes of the definition of "participating employer" in subsection 1 of section 147.1 of the Income Tax Act; and

(2) in the case of a pooled registered pension plan, an employer that

(*a*) has made, or is required to make, contributions to the pension plan in respect of all or a class of its employees or former employees, or

(*b*) has remitted, or is required to remit, to the administrator of the pension plan contributions made by members (within the meaning assigned by the first paragraph of section 965.0.19 of the Taxation Act) of the pension plan under a contract with the administrator in respect of all or a class of its employees;";

(4) by replacing the portion of the definition of "pension plan" before subparagraph i of subparagraph *a* of paragraph 2 by the following:

""pension plan" means a registered pension plan or a pooled registered pension plan that

(1) governs a person that is a trust or that is deemed to be a trust for the purposes of the Taxation Act;

(2) is a plan in respect of which a corporation

(*a*) is incorporated and operated either";

(5) by replacing subparagraph *b* of paragraph 2 of the definition of "pension plan" by the following subparagraph:

"(*b*) in the case of a registered pension plan, is accepted by the Minister of National Revenue under subparagraph ii of paragraph *o*.1 of subsection 1 of section 149 of the Income Tax Act as a funding medium for the purposes of the registration of the registered pension plan, and";

(6) by adding the following subparagraph after subparagraph *b* of paragraph 2 of the definition of "pension plan":

"(*c*) in the case of a pooled registered pension plan, is a corporation that is described in paragraph *o*.2 of subsection 1 of section 149 of the Income Tax Act, and all of the shares, and rights to acquire shares, of the capital stock of which are owned, at all times since the date on which it was incorporated, by the plan; or";

(7) by inserting the following definitions in alphabetical order:

""pooled registered pension plan" has the meaning assigned by paragraph 1 of the definition of "investment plan";

""registered pension plan" has the meaning assigned by paragraph 1 of the definition of "investment plan";";

(8) by inserting the following subparagraph after subparagraph *a* of paragraph 1 of the definition of "investment plan":

"(*a*.1) a pooled registered pension plan,";

(9) by replacing the definition of "substantial renovation" by the following definition:

""substantial renovation" of a residential complex means the renovation or alteration of the whole or that part of a building described in any of paragraphs 1 to 5 of the definition of "residential complex" in which one or more residential units are located to such an extent that all or substantially all of the building or part, as the case may be, other than the foundation, external walls, interior supporting walls, floors, roof, staircases and, in the case of that part of a building described in paragraph 2 of that definition, the common areas and other appurtenances, that existed immediately before the renovation or alteration was begun has been removed or replaced if, after completion of the renovation or alteration, the building or part, as the case may be, is, or forms part of, a residential complex;".

(2) Paragraphs 1 and 3 to 7 of subsection 1 have effect from 14 December 2012.

(3) Paragraphs 2 and 9 of subsection 1 apply in respect of

(1) a supply by way of sale of a residential complex made after 8 April 2014;

(2) a supply by way of sale (other than a taxable supply deemed to have been made under sections 223 to 231.1 of the Act) of a residential complex made by a person before 9 April 2014 if

(*a*) the supply would have been a taxable supply had the definitions of "substantial renovation" and "builder" in section 1 of the Act, as amended by subsection 1, applied in respect of the supply, and

(*b*) an amount as or on account of tax in respect of the supply was charged, collected or remitted under Title I of the Act before that day; and

(3) a taxable supply of a residential complex that would have been deemed under sections 223 to 231.1 of the Act to have been made by a person at a particular time before 9 April 2014 if the definitions of "substantial renovation" and "builder" in section 1 of the Act, as amended by subsection 1, had applied at that time, provided that the person has reported an amount as or on account of tax, as a result of the person applying sections 223 to 231.1 of the Act in respect of the complex, in the person's return filed under Chapter VIII of Title I of the Act

(*a*) for a reporting period the return for which is filed before 9 April 2014 or is required under that chapter to be filed on or before that day, or

(*b*) for a reporting period that begins before 9 April 2014 the return for which

i. is required under that chapter to be filed on or before a particular day that is after 8 April 2014, and

ii. is filed on or before the particular day referred to in subparagraph i.

(4) For the purposes of Title I of the Act, the unclaimed refund described in paragraph 2 is deemed to be an input tax refund of a person for the reporting period of the person that includes 8 April 2014 and not to be an input tax refund of the person for any other reporting period if

(1) the person makes, at a particular time that is after 8 April 2014, a supply by way of sale of a residential complex that is a taxable supply, but that would not be a taxable supply if the definitions of "substantial renovation" and "builder" in section 1 of the Act applied as they read before 4 December 2015; and

(2) the person has not claimed or deducted an amount (in this subsection referred to as an "unclaimed refund") in respect of property or a service in

determining the net tax for any reporting period of the person the return for which is filed before 9 April 2014 or is required under Chapter VIII of Title I of the Act to be filed on or before 8 April 2014 and

(*a*) the property or service, in a particular reporting period that ends before 9 April 2014,

i. was acquired or brought into Québec for consumption or use in making the taxable supply, or

ii. was, in relation to the complex, acquired or brought into Québec and would have been acquired or brought into Québec for consumption or use in making the taxable supply if the definitions of "substantial renovation" and "builder" in section 1 of the Act were read as amended by subsection 1, and

(*b*) the unclaimed refund is, or would be if the definitions of "substantial renovation" and "builder" in section 1 of the Act were read as amended by subsection 1, an input tax refund of the person.

(5) Paragraph 8 of subsection 1 applies to a taxation year of a person that ends after 13 December 2012.

202. (1) Section 42.0.23 of the Act is replaced by the following section:

"**42.0.23.** Despite sections 42.0.15 to 42.0.17, if under subsection 32 of section 141.02 of the Excise Tax Act (Revised Statutes of Canada, 1985, chapter E-15) the Minister of National Revenue directed a financial institution to use another method to determine, for a particular fiscal year or any subsequent fiscal year, the operative extent and the procurative extent of a business input, the other method must also be used by the financial institution in respect of that business input for such a fiscal year."

(2) Subsection 1 applies in respect of a reporting period that begins after 31 December 2012. However, where section 42.0.23 of the Act applies in respect of a reporting period that is included in a fiscal year that begins before 1 January 2013 and ends after 31 December 2012, any reference in that section to a fiscal year is a reference to the part of that fiscal year that does not include a reporting period that begins before 1 January 2013.

203. (1) The Act is amended by inserting the following section after section 184.2:

"**184.3.** A supply of the following services made to a person that is not resident in Québec and is not registered under Division I of Chapter VIII is a zero-rated supply:

(1) a service of refining a metal to produce a precious metal; or

(2) an assaying, gem removal or similar service supplied in conjunction with the service referred to in paragraph 1."

(2) Subsection 1 applies

(1) in respect of a supply made after 8 April 2014; and

(2) in respect of a supply made before 9 April 2014 if the supplier did not, before that day, charge or collect an amount as or on account of tax under Title I of the Act in respect of the supply.

(3) If, in determining the net tax of a person as reported in a return under Chapter VIII of Title I of the Act filed before 9 April 2014 for a reporting period that ends after 31 December 2010, an amount was taken into account by the person as tax that became collectible by the person in respect of a supply and, by reason of the application of subsection 1, no tax was collectible by the person in respect of the supply, the following rules apply:

(1) for the purposes of sections 400 to 402.0.2 of the Act, the amount is deemed to have been paid by the person; and

(2) section 401 of the Act and the exceptions provided for in section 400 of the Act do not apply to a rebate under that section 400 in respect of an amount if the person files an application for the rebate before the later of

(*a*) 16 December 2015; and

(*b*) the day that is two years after the day on which the return was filed.

204. (1) Section 231.3 of the Act is amended

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

"(2) the amount determined by the formula

A + B.";

(2) by adding the following paragraphs after the second paragraph:

"For the purposes of the formula in the first paragraph,

(1) A is the total of all amounts each of which is an amount determined by the formula

C × (D/E); and

(2) B is the total of all amounts each of which is an amount determined by the formula

F × (G/H).

For the purposes of the formulas in the third paragraph,

(1) C is an amount of tax, calculated at a particular rate, that was payable under the first paragraph of section 16 or any of sections 17, 18, 18.0.1 and 26.3 by the builder in respect of an acquisition of an immovable that forms part of the complex or addition or in respect of an acquisition or bringing into Québec of an improvement to an immovable that forms part of the complex or addition;

(2) D is the tax rate specified in the first paragraph of section 16 at the particular time referred to in the first paragraph;

(3) E is the particular rate;

(4) F is an amount (other than an amount referred to in subparagraph 1) that would have been payable as tax, calculated at a particular rate, under the first paragraph of section 16 or any of sections 17, 18, 18.0.1 and 26.3 by the builder in respect of an acquisition or bringing into Québec of an improvement to an immovable that forms part of the complex or addition but for the fact that the improvement was acquired or brought into Québec for consumption, use or supply exclusively in the course of commercial activities of the builder;

(5) G is the tax rate specified in the first paragraph of section 16 at the particular time referred to in the first paragraph; and

(6) H is the particular rate."

(2) Subsection 1 applies in respect of any supply of a residential complex, or of an addition to a residential complex, deemed under any of sections 223 to 226 of the Act to have been made after 31 March 2013. However, if the construction or last substantial renovation of the complex or addition began before 9 April 2014, the amount determined under subparagraph 2 of the first paragraph of section 231.3 of the Act in respect of the supply is equal to the lesser of

(1) the amount determined under subparagraph 2 of the first paragraph of section 231.3 of the Act as amended by subsection 1; and

(2) the amount that would be determined under subparagraph 2 of the first paragraph of section 231.3 of the Act if it were read without reference to subsection 1.

(3) If, in determining the amount of any fees, interest and penalties for which a person is liable under the Act, the Minister of Revenue took into consideration, in computing the net tax of the person for a reporting period of the person, an amount as or on account of tax deemed to have been collected under any of sections 223 to 226 of the Act in respect of a supply of a residential complex or of an addition to a residential complex and because of the application

of subparagraph 2 of the first paragraph of section 231.3 of the Act, as amended by subsection 1, the amount or part of the amount is not deemed, under whichever of sections 223 to 226 of the Act is applicable, to have been collected as or on account of tax in respect of the supply, the person is entitled until the day that is one year after the date of assent to this Act to request in writing that the Minister of Revenue make an assessment or reassessment for the purpose of taking into account that the amount or the part of the amount, as the case may be, is not deemed to have been collected by the person as or on account of tax and, on receipt of the request, the Minister shall with all due dispatch

(1) consider the request; and

(2) make an assessment or reassessment of the net tax of the person for any reporting period of the person and of any interest, penalty or other obligation of the person, but only to the extent that the assessment or reassessment may reasonably be regarded as relating to the amount or the part of the amount, as the case may be.

205. (1) Section 289.2 of the Act, amended by section 679 of chapter 21 of the statutes of 2015, is again amended by inserting the following paragraph after paragraph 4 of the definition of "excluded activity" in the first paragraph:

"(4.1) if the pension plan is a pooled registered pension plan, compliance by a participating employer of the pension plan as an administrator of the pension plan with requirements under the Pooled Registered Pension Plans Act (Statutes of Canada, 2012, chapter 16) or a similar law of a province, the Northwest Territories, the Yukon Territory or Nunavut, provided the activity is undertaken exclusively for the purpose of making a taxable supply of a service to a pension entity of the pension plan that is to be made

(*a*) for consideration that is not less than the fair market value of the service, and

(*b*) at a time when no election under the first paragraph of section 289.9 made jointly by the participating employer and the pension entity is in effect; or".

(2) Subsection 1 applies to a fiscal year of a person that ends after 13 December 2012.

206. (1) The Act is amended by inserting the following section after section 327.7:

"**327.7.1.** If, under subparagraph 1 of the first paragraph of section 327.7, a particular person is deemed to have paid tax equal to the tax paid by a non-resident person, the following rules apply:

(1) section 449 does not apply in respect of the tax paid by the non-resident person; and

(2) no portion of the tax paid by the non-resident person is to be rebated, refunded or remitted to the non-resident person, or is to be otherwise recovered by the non-resident person, under this or any other Act of the Parliament of Québec."

(2) Subsection 1 has effect from 17 January 2014.

207. Section 350.51.1 of the Act is amended by replacing "prescribed manner" in the second paragraph by "manner determined by the Minister".

208. (1) Section 350.52 of the Act is amended by replacing "the supply of a meal" in the second paragraph by "a supply referred to in section 350.51".

(2) Subsection 1 applies from 1 February 2016 or from the date, if before 1 February 2016, on which an operator activates in an establishment, after 1 September 2015, a prescribed device, in respect of that establishment.

209. (1) Section 350.52.1 of the Act is amended by inserting "ordinarily" before "makes" in the first paragraph.

(2) Subsection 1 applies from 1 February 2016 or from the date, if before 1 February 2016, on which a person activates in an establishment, after 1 September 2015, a device referred to in section 350.52, in respect of that establishment.

210. (1) Section 350.56.2 of the Act is amended by replacing "and manner" by "containing prescribed information and in the manner determined by the Minister".

(2) Subsection 1 has effect from 21 April 2015.

211. (1) Section 402.13 of the Act, amended by section 725 of chapter 21 of the statutes of 2015, is again amended

(1) by replacing "sections 402.14 to 402.17" in the portion of the first paragraph before the definition of "active member" by "this subdivision";

(2) by striking out the definition of "pension contribution" in the first paragraph;

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

""employee contribution" means a contribution by an employee of an employer to a pooled registered pension plan that

(1) may be deducted by the employee under paragraph *b* of section 339 of the Taxation Act (chapter I-3) in computing income; and

(2) is remitted by the employer to the administrator of the plan under a contract with the administrator in respect of all or a class of the employees of the employer;

""employer contribution" means a contribution by an employer to a pension plan that may be deducted by the employer under section 137 of the Taxation Act;";

(4) by replacing paragraph 1 of the definition of "qualifying employer" in the first paragraph by the following paragraph:

"(1) where employer contributions were made to the pension plan in the preceding calendar year, made employer contributions to the pension plan in that year; and";

(5) by replacing paragraphs 1 and 2 of the definition of "qualifying pension entity" in the first paragraph by the following paragraphs:

"(1) 10% or more of the total employer contributions in the last preceding calendar year in which employer contributions were made to the pension plan were made by listed financial institutions; or

"(2) it can reasonably be expected that 10% or more of the total employer contributions in the subsequent calendar year in which employer contributions will be required to be made to the pension plan will be made by listed financial institutions;";

(6) by replacing the portion of the definition of "pension rebate amount" in the first paragraph before the formula by the following:

""pension rebate amount" of a pension entity of a pension plan for a claim period means the amount determined by the formula";

(7) by replacing the definition of "claim period" in the first paragraph by the following definition:

""claim period" has, subject to the seventh paragraph, the meaning assigned by section 383;";

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

"(1) A is

(*a*) if the pension plan is a registered pension plan, 33%,

(*b*) if the pension plan is a pooled registered pension plan and either employer contributions or employee contributions were made to the pension plan in the particular calendar year that is the last calendar year ending on or

before the last day of the claim period, an amount (expressed as a percentage) determined by the formula

33% × (C/D),

(*c*) if the pension plan is a pooled registered pension plan, neither employer contributions nor employee contributions were made to the pension plan in the particular calendar year that is the last calendar year ending on or before the last day of the claim period and it is reasonable to expect that employer contributions will be made to the pension plan in a subsequent calendar year, an amount (expressed as a percentage) determined for the first calendar year following the particular calendar year (in this section referred to as the "first calendar year of contribution") in which employer contributions are reasonably expected to be made to the pension plan by the formula

33% × (E/F), or

(*d*) if the pension plan is a pooled registered pension plan and subparagraphs *b* and *c* do not apply, 0%; and";

(9) by inserting the following paragraphs after the third paragraph:

"For the purposes of the formulas in subparagraphs *b* and *c* of subparagraph 1 of the third paragraph,

(1) C is the total of all amounts each of which is determined for an employer that made employer contributions to the pension plan in the particular calendar year by the formula

$C_1 + C_2$;

(2) D is the total of all amounts contributed to the pension plan in the particular calendar year;

(3) E is the total of all amounts each of which is determined for an employer reasonably expected to make employer contributions to the pension plan in the first calendar year of contribution by the formula

$E_1 + E_2$; and

(4) F is the total of all amounts reasonably expected to be contributed to the pension plan in the first calendar year of contribution.

For the purposes of the formulas in subparagraphs 1 and 3 of the fourth paragraph,

(1) C_1 is the total of all amounts each of which is an employer contribution made by the employer to the pension plan in the particular calendar year;

(2) C_2 is the total of all amounts each of which is an employee contribution made by an employee of the employer to the pension plan in the particular calendar year;

(3) E_1 is the total of all amounts each of which is an employer contribution reasonably expected to be made by the employer to the pension plan in the first calendar year of contribution; and

(4) E_2 is the total of all amounts each of which is an employee contribution reasonably expected to be made by an employee of the employer to the pension plan in the first calendar year of contribution."

(2) Paragraph 1 of subsection 1 applies in respect of a claim period of a pension entity that begins after 22 September 2009.

(3) Paragraphs 2 to 4, 6, 8 and 9 of subsection 1 have effect from 14 December 2012. However, where section 402.13 of the Act applies in relation to a claim period that ends before 1 January 2013, it is to be read as if "33%" in subparagraphs *a* to *c* of subparagraph 1 of the third paragraph were replaced by

(1) 77%, where the pension entity is governed by a pension plan to which more than 50% of the contributions are made by one or more public service bodies that are not entitled to any rebate under section 386 of the Act;

(2) 88%, where the pension entity is governed by a pension plan to which more than 50% of the contributions are made by one or more public service bodies that are entitled to a rebate under section 386 of the Act; or

(3) 100%, in any other case.

(4) However, despite paragraphs 2 and 3 of subsection 4 of section 142 of the Act to amend the Act respecting the Québec sales tax and other legislative provisions (2012, chapter 28), where section 402.13 of the Act applies in relation to a claim period that begins after 31 December 2012 and before 1 January 2014, it is to be read

(1) as if subparagraphs 1 and 2 of the third paragraph were replaced by the following subparagraphs:

"(1) A is

(*a*) where the pension entity is governed by a pension plan to which more than 50% of the employer contributions are made by one or more public service bodies that are not entitled to any rebate under section 386,

i. if the pension plan is a registered pension plan, 77%,

ii. if the pension plan is a pooled registered pension plan and either employer contributions or employee contributions were made to the pension plan in the

particular calendar year that is the last calendar year ending on or before the last day of the claim period, an amount (expressed as a percentage) determined by the formula

77% × (C/D),

iii. if the pension plan is a pooled registered pension plan, neither employer contributions nor employee contributions were made to the pension plan in the particular calendar year that is the last calendar year ending on or before the last day of the claim period and it is reasonable to expect that employer contributions will be made to the pension plan in a subsequent calendar year, an amount (expressed as a percentage) determined for the first calendar year following the particular calendar year (in this section referred to as the "first calendar year of contribution") in which employer contributions are reasonably expected to be made to the pension plan by the formula

77% × (E/F), or

iv. if the pension plan is a pooled registered pension plan and subparagraphs ii and iii do not apply, 0%,

(*b*) where the pension entity is governed by a pension plan to which more than 50% of the employer contributions are made by one or more public service bodies that are entitled to a rebate under section 386,

i. if the pension plan is a registered pension plan, 88%,

ii. if the pension plan is a pooled registered pension plan and either employer contributions or employee contributions were made to the pension plan in the particular calendar year that is the last calendar year ending on or before the last day of the claim period, an amount (expressed as a percentage) determined by the formula

88% × (C/D),

iii. if the pension plan is a pooled registered pension plan, neither employer contributions nor employee contributions were made to the pension plan in the particular calendar year that is the last calendar year ending on or before the last day of the claim period and it is reasonable to expect that employer contributions will be made to the pension plan in a subsequent calendar year, an amount (expressed as a percentage) determined for the first calendar year of contribution in which employer contributions are reasonably expected to be made to the pension plan by the formula

88% × (E/F), or

iv. in any other case, 0%, or

(*c*) in any other case,

i. if the pension plan is a registered pension plan, 100%,

ii. if the pension plan is a pooled registered pension plan and either employer contributions or employee contributions were made to the pension plan in the particular calendar year that is the last calendar year ending on or before the last day of the claim period, an amount (expressed as a percentage) determined by the formula

100% × (C/D),

iii. if the pension plan is a pooled registered pension plan, neither employer contributions nor employee contributions were made to the pension plan in the particular calendar year that is the last calendar year ending on or before the last day of the claim period and it is reasonable to expect that employer contributions will be made to the pension plan in a subsequent calendar year, an amount (expressed as a percentage) determined for the first calendar year of contribution in which employer contributions are reasonably expected to be made to the pension plan by the formula

100% × (E/F), or

iv. in any other case, 0%;

"(2) B is the total of all amounts each of which is, in relation to a participating employer of a pension plan, the lesser of

(*a*) the total of all amounts each of which is an amount described in paragraph 2 of the definition of "eligible amount" in the first paragraph for the claim period, in relation to a taxable supply that the participating employer of the pension plan is deemed to have made, and

(*b*) the total of all amounts each of which is an amount described in paragraph 1 of the definition of "eligible amount" in the first paragraph, for a claim period that ends in 2012, that became payable, or was paid without having become payable, by the pension entity in relation to a supply made by the participating employer of the pension plan during a fiscal year of the participating employer that ends after 31 December 2012;";

(2) as if the following subparagraphs were inserted after subparagraph 2 of the third paragraph:

"(3) C is

(*a*) if the pension plan is a registered pension plan, 33%,

(*b*) if the pension plan is a pooled registered pension plan and either employer contributions or employee contributions were made to the pension plan in the particular calendar year that is the last calendar year ending on or before the last day of the claim period, an amount (expressed as a percentage) determined by the formula

33% × (C/D),

(*c*) if the pension plan is a pooled registered pension plan, neither employer contributions nor employee contributions were made to the pension plan in the particular calendar year that is the last calendar year ending on or before the last day of the claim period and it is reasonable to expect that employer contributions will be made to the pension plan in a subsequent calendar year, an amount (expressed as a percentage) determined for the first calendar year of contribution in which employer contributions are reasonably expected to be made to the pension plan by the formula

33% × (E/F), or

(*d*) if the pension plan is a pooled registered pension plan and subparagraphs *b* and *c* do not apply, 0%; and

"(4) D is the amount by which the total of all amounts each of which is an eligible amount of the pension entity for the claim period exceeds the amount represented by B."; and

(3) as if the portion of the fourth paragraph, enacted by paragraph 9 of subsection 1, before subparagraph 1 were replaced by the following:

"For the purposes of the formulas in subparagraphs ii and iii of subparagraphs *a* to *c* of subparagraph 1 of the third paragraph and in subparagraphs *b* and *c* of subparagraph 3 of that paragraph,".

(5) Paragraphs 5 and 7 of subsection 1 apply in respect of a claim period that begins after 31 December 2012. However, where the definition of "claim period" in the first paragraph of section 402.13 of the Act applies after 13 December 2012 in respect of a claim period that begins before 1 January 2013, it is to be read as if "fourth" were replaced by "sixth".

212. (1) Section 402.18 of the Act is amended by replacing the portion of the first paragraph before subparagraph 1 by the following:

"**402.18.** If a pension entity of a pension plan is a qualifying pension entity on the last day of a claim period of the pension entity, the pension entity makes an election for the claim period jointly with all persons that are, for the calendar year that includes the last day of the claim period, qualifying employers of the pension plan and each of those qualifying employers is engaged exclusively in commercial activities throughout the claim period, and a valid election is made for the claim period by the pension entity and those persons under subsection 5 of section 261.01 of the Excise Tax Act (Revised Statutes of Canada, 1985, chapter E-15), each of those qualifying employers may deduct in determining its net tax for the reporting period that includes the day on which the election is filed with the Minister".

(2) Subsection 1 applies in respect of a claim period that begins after 31 December 2012, except in respect of such a claim period for which a pension entity filed with the Minister a valid election under section 402.18 of the Act before 10 November 2015.

213. (1) Section 402.19 of the Act is amended

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

"**402.19.** If a pension entity of a pension plan is a qualifying pension entity on the last day of a claim period of the pension entity, the pension entity makes an election for the claim period jointly with all persons that are, for the calendar year that includes the last day of the claim period, qualifying employers of the pension plan and any of those qualifying employers is not engaged exclusively in commercial activities throughout the claim period, and a valid election is made for the claim period by the pension entity and those persons under subsection 6 of section 261.01 of the Excise Tax Act (Revised Statutes of Canada, 1985, chapter E-15), the following rules apply:";

(2) by replacing "pension contributions" in subparagraph *a* of subparagraph 3 of the second paragraph by "employer contributions";

(3) by replacing subparagraphs 1 and 2 of the third paragraph by the following subparagraphs:

"(1) F is the total of all amounts each of which is

(*a*) an employer contribution made by the qualifying employer to the pension plan in the preceding calendar year, or

(*b*) an employee contribution made by an employee of the qualifying employer to the pension plan in the preceding calendar year, if the qualifying employer made employer contributions to the pension plan in the preceding calendar year;

"(2) G is the total of all amounts each of which is

(*a*) if the pension plan is a registered pension plan, an employer contribution made to the pension plan in the preceding calendar year, or

(*b*) if the pension plan is a pooled registered pension plan, an amount contributed to the pension plan in the preceding calendar year;".

(2) Paragraph 1 of subsection 1 applies in respect of a claim period that begins after 31 December 2012, except in respect of such a claim period for which a pension entity filed with the Minister a valid election under section 402.19 of the Act before 10 November 2015.

(3) Paragraphs 2 and 3 of subsection 1 apply in respect of a claim period of a person that ends after 13 December 2012.

214. (1) Section 402.19.1 of the Act is amended

(1) by replacing "pension contributions" in subparagraph *a* of subparagraph 2 of the second paragraph by "employer contributions";

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

"(1) H is the total of all amounts each of which is

(*a*) an employer contribution made by the qualifying employer to the pension plan in the preceding calendar year, or

(*b*) an employee contribution made by an employee of the qualifying employer to the pension plan in the preceding calendar year, if the qualifying employer made employer contributions to the pension plan in the preceding calendar year;

"(2) I is the total of all amounts each of which is

(*a*) if the pension plan is a registered pension plan, an employer contribution made to the pension plan in the preceding calendar year, or

(*b*) if the pension plan is a pooled registered pension plan, an amount contributed to the pension plan in the preceding calendar year;".

(2) Subsection 1 applies in respect of a claim period that begins after 31 December 2012.

215. (1) Section 402.21 of the Act is amended

(1) by replacing paragraphs 1 and 2 by the following paragraphs:

"(1) be made in the prescribed form containing prescribed information;

"(2) be filed by the pension entity with and as prescribed by the Minister at the same time that its application for the rebate under section 402.14 for the claim period is filed;";

(2) by adding the following paragraphs:

"An election made under section 402.19.1 by a pension entity of a pension plan and the qualifying employers of the pension plan must

(1) be made in the prescribed form containing prescribed information; and

(2) be filed by the pension entity with and as prescribed by the Minister, within two years after the day that is

(*a*) if the pension entity is a registrant, the day on or before which the pension entity is required to file a return under Chapter VIII for the claim period, and

(*b*) in any other case, the last day of the claim period.

Not more than one election under section 402.19.1 may be filed for a claim period."

(2) Paragraph 1 of subsection 1 applies in respect of a claim period that begins after 22 September 2009.

(3) Paragraph 2 of subsection 1 applies in respect of a claim period that begins after 31 December 2012.

216. (1) Section 430.3 of the Act is replaced by the following section:

"**430.3.** An amount is not to be included in the total for B in the formula set out in section 428 for a reporting period of a person to the extent that, before the end of the period, the amount

(1) is included in an adjustment, refund or credit for which a credit note referred to in section 449 has been received by the person or a debit note referred to in that section has been issued by the person; or

(2) was otherwise rebated, refunded or remitted to the person, or was otherwise recovered by the person, under this or any other Act of the Parliament of Québec."

(2) Subsection 1 has effect from 23 April 1996.

217. (1) Section 431.1 of the Act is amended by striking out "or a person related to such a financial institution" in subparagraph 1 of the first paragraph.

(2) Subsection 1 applies in relation to a reporting period that ends after 31 December 2012, except to the extent that the input tax refund for the period relates to the tax that became payable, or was paid without having become payable, before 1 January 2013.

218. (1) Section 433.6 of the Act is replaced by the following section:

"**433.6.** An amount is not to be included in the total for B in the formula set out in section 433.2 for a reporting period of a charity to the extent that, before the end of the period, the amount

(1) is included in an adjustment, refund or credit for which a credit note referred to in section 449 has been received by the charity or a debit note referred to in that section has been issued by the charity; or

(2) was otherwise rebated, refunded or remitted to the charity, or was otherwise recovered by the charity, under this or any other Act of the Parliament of Québec."

(2) Subsection 1 applies for the purpose of determining the net tax of a charity in respect of a reporting period that begins after 31 December 1996.

219. (1) Section 433.15.1 of the Act, enacted by section 748 of chapter 21 of the statutes of 2015, is amended by replacing the definition of "manager" in the first paragraph by the following definition:

""manager" of an investment plan means, in the case of a pension entity of a registered pension plan, the administrator, within the meaning of subsection 1 of section 147.1 of the Income Tax Act (Revised Statutes of Canada, 1985, chapter 1, 5th Supplement), in the case of a pension entity of a pooled registered pension plan, the administrator of the pension plan, and, in any other case, the person that has ultimate responsibility for the management and administration of the assets and liabilities of the investment plan;".

(2) Subsection 1 has effect from 1 January 2013.

220. (1) Section 449 of the Act is amended by replacing paragraph 3 by the following paragraph:

"(3) the amount is to be added in determining the net tax of the other person for the reporting period of the other person in which, as the case may be, the debit note is issued to the particular person or the credit note is received by the other person, to the extent that the amount has been included in determining an input tax refund claimed by the other person in a return filed for a preceding reporting period of the other person; and".

(2) Subsection 1 has effect from 23 April 1996.

221. (1) Section 450.0.4 of the Act is amended by replacing the portion of subparagraph 3 of the first paragraph before the formula by the following:

"(3) except where the pension entity is a selected listed financial institution on the particular day, if any given part of the amount of the deemed tax is an eligible amount of the pension entity for a particular claim period at the end of which the pension entity was a qualifying pension entity, the pension entity shall pay to the Minister, on or before the last day of its claim period that follows its claim period that includes the day on which the tax adjustment note is issued, the amount determined by the formula".

(2) Subsection 1 applies in respect of a claim period that ends after 31 December 2012, except where the tax adjustment note is in respect of both an amount described in paragraph 3 of section 450.0.2 of the Act that became payable, or was paid without having become payable, by a pension entity before 1 January 2013 and an amount described in paragraph 2 of that section 450.0.2 that is deemed to have been paid after 31 December 2012.

222. (1) Section 450.0.7 of the Act is amended by replacing the portion of subparagraph 3 of the first paragraph before the formula by the following:

"(3) except where the pension entity is a selected listed financial institution on the first day on which an amount of deemed tax is deemed to have been paid, for each particular claim period of the pension entity at the end of which the pension entity was a qualifying pension entity and for which any part of an amount of deemed tax in respect of a particular supply is an eligible amount of the pension entity, the pension entity shall pay to the Minister, on or before the last day of its claim period that follows its claim period that includes the day on which the tax adjustment note is issued, the amount determined by the formula".

(2) Subsection 1 applies in respect of a claim period that ends after 31 December 2012, except where the tax adjustment note is in respect of both an amount described in paragraph 3 of section 450.0.5 of the Act that became payable, or was paid without having become payable, by a pension entity before 1 January 2013 and an amount described in paragraph 2 of that section 450.0.5 that is deemed to have been paid after 31 December 2012.

223. (1) Section 458.8 of the Act is amended by replacing the second paragraph by the following paragraph:

"Despite any other provision of this division, where, throughout a person's particular reporting period that begins before 1 January 2013 and that, but for this paragraph, would end after 31 December 2012, the person would have been a selected listed financial institution or is a selected listed financial institution for the purposes of Part IX of the Excise Tax Act, the particular reporting period is deemed to end on 31 December 2012."

(2) Subsection 1 has effect from 1 January 2013.

FUEL TAX ACT

224. Section 50.0.5 of the Fuel Tax Act (chapter T-1) is amended by replacing the portion before the fourth paragraph by the following:

"**50.0.5.** A carrier whose base jurisdiction is Québec shall file a return with the Minister in respect of the fuel used in and outside Québec during a particular quarter in the propulsion of a prescribed motor vehicle.

The return is to be filed with and as determined by the Minister, not later than the last day of the month following each of the quarters ending on 31 March, 30 June, 30 September and 31 December in a year. It must be in the prescribed form containing prescribed information.

A return is to be filed even if no tax is payable or no fuel was used by the carrier in or outside Québec."

ACT GIVING EFFECT TO THE BUDGET SPEECH DELIVERED ON 24 MAY 2007, TO THE 1 JUNE 2007 MINISTERIAL STATEMENT CONCERNING THE GOVERNMENT'S 2007—2008 BUDGETARY POLICY AND TO CERTAIN OTHER BUDGET STATEMENTS

225. Section 398 of the Act giving effect to the Budget Speech delivered on 24 May 2007, to the 1 June 2007 Ministerial Statement Concerning the Government's 2007—2008 Budgetary Policy and to certain other budget statements (2009, chapter 5) is amended by replacing "27 February 2004" in subsection 2 by "17 March 2009".

226. Section 399 of the Act is amended by replacing "27 February 2004" in subsection 2 by "17 March 2009".

227. Section 400 of the Act is amended by replacing "27 February 2004" in subsection 3 by "17 March 2009".

ACT TO AMEND THE ACT RESPECTING THE QUÉBEC SALES TAX AND OTHER LEGISLATIVE PROVISIONS

228. Section 156 of the Act to amend the Act respecting the Québec sales tax and other legislative provisions (2012, chapter 28) is amended by replacing subsection 2 by the following subsection:

"(2) Subsection 1 applies in relation to a reporting period that ends after 31 December 2012, except to the extent that the input tax refund for the period relates to the tax that became payable, or was paid without having become payable, before 1 January 2013."

229. Section 162 of the Act is amended by inserting "or claim period" after "reporting period" in the portion of subsection 2 before subparagraph 5 of the second paragraph of section 450.0.4 of the Act respecting the Québec sales tax (chapter T-0.1), enacted by that subsection 2.

230. Section 164 of the Act is amended by inserting "or claim period" after "reporting period" in the portion of subsection 2 before subparagraph 5 of the second paragraph of section 450.0.7 of the Act respecting the Québec sales tax, enacted by that subsection 2.

ACT TO GIVE EFFECT TO THE BUDGET SPEECH DELIVERED ON 4 JUNE 2014 AND TO VARIOUS OTHER FISCAL MEASURES

231. Section 360 of the Act to give effect to the Budget Speech delivered on 4 June 2014 and to various other fiscal measures (2015, chapter 21) is amended by adding the following subsections after subsection 3:

"(4) In addition, where section 1012.2 of the Act applies to a taxation year that begins after 30 November 1999 and ends before 20 August 2011, the second paragraph of that section 1012.2 is to be read as follows:

"The reduction to which the first paragraph refers is the reduction in the foreign accrual property income of a foreign affiliate of the taxpayer for a taxation year (in this paragraph referred to as the "claim year") of the foreign affiliate that ends in the particular taxation year, if the reduction is

(*a*) attributable to the amount of the foreign accrual property loss (within the meaning assigned by subsection 3 of section 5903 of the Income Tax Regulations made under the Income Tax Act (Revised Statutes of Canada, 1985, chapter 1, 5th Supplement)) of the foreign affiliate for a taxation year of the foreign affiliate that ends in a subsequent taxation year of the taxpayer; and

(*b*) included in the value of F of the formula in the definition of "foreign accrual property income" in subsection 1 of section 95 of the Income Tax Act in relation to the foreign affiliate for the claim year."

"(5) Despite sections 1010 to 1011 of the Act, where a taxpayer has made a valid election under paragraph *b* of section 53 of the Technical Tax Amendments Act, 2012 (Statutes of Canada, 2013, chapter 34) in relation to section 34 of that Act, the Minister of Revenue shall, under Part I of the Taxation Act, make any assessments of the taxpayer's tax, interest and penalties as are necessary for any taxation year to give effect to subsection 4. Sections 93.1.8 and 93.1.12 of the Tax Administration Act apply to such assessments, with the necessary modifications.

"(6) Chapter V.2 of Title II of Book I of Part I of the Taxation Act applies in relation to an election referred to in subsection 5. For the purposes of section 21.4.7 of the Act in respect of such an election, a taxpayer is deemed to have complied with a requirement of section 21.4.6 of the Act if the taxpayer complies with it on or before 1 June 2016."

232. Section 756 of the Act is amended by adding the following subsection after subsection 2:

"(3) However, where section 433.22 of the Act applies in relation to a particular reporting period of the manager that includes 1 January 2013 but began before that date, that section 433.22 is to be read as if subparagraph *a* of subparagraph 3 of the third paragraph were replaced by the following subparagraph:

"(*a*) the beginning of the investment plan's particular reporting period coincided with the latest of

i. the beginning of the manager's particular reporting period,

ii. the day in the manager's particular reporting period on which an election referred to in the first or second paragraph, as the case may be, between the investment plan and the manager becomes effective, and

iii. 1 January 2013,"."

TRANSITIONAL AND FINAL PROVISIONS

233. The second paragraph applies to a taxpayer for each taxation year that ends in the period that begins on 1 January 2001 and ends on 4 March 2010 (in this section referred to as the "relevant period"), if the taxpayer has complied with the requirements of paragraph *b* of subsection 5 of section 8 of the Technical Tax Amendments Act, 2012 (Statutes of Canada, 2013, chapter 34), in respect of participating interests held by the taxpayer during the relevant period.

Where this paragraph applies in respect of a taxpayer for a taxation year, the following rules apply:

(1) the taxpayer's reported inclusion and any taxable capital gains for the taxation year in respect of a participating interest referred to in the first paragraph are deemed to be the amount required to be included under the Taxation Act (chapter I-3) in computing the taxpayer's income for that taxation year in respect of that participating interest; and

(2) the taxpayer's reported deduction and any allowable capital loss for the taxation year in respect of a participating interest referred to in the first paragraph are deemed to be the amount deductible under the Taxation Act in computing the taxpayer's income, or the allowable capital loss, as the case may be, for that taxation year in respect of that participating interest.

The taxpayer may deduct, in computing income for the purposes of Part I of the Taxation Act, for the first taxation year that ends after the relevant period, an amount that does not exceed the amount determined under subsection 7 of section 8 of the Technical Tax Amendments Act, 2012.

The taxpayer is required to deduct, at any time after the beginning of the first taxation year that ends after the relevant period, in computing the adjusted cost base, for the purposes of Part I of the Taxation Act, a participating interest referred to in the first paragraph, an amount equal to the amount the taxpayer is required to deduct in that computation, for the purposes of Part I of the Income Tax Act (Revised Statutes of Canada, 1985, chapter 1, 5th Supplement), in respect of the participating interest, under subsection 9 of section 8 of the Technical Tax Amendments Act, 2012.

Despite sections 1010 to 1011 of the Taxation Act, the Minister of Revenue shall, under Part I of that Act, make any assessments of a taxpayer's tax, interest and penalties payable under this Part, in respect of each of the taxpayer's participating interests for each of the taxpayer's taxation years that ends in the relevant period if

(1) the second paragraph does not apply in respect of the taxpayer;

(2) the taxpayer has a reported inclusion or a reported deduction in respect of those participating interests for one or more of those taxation years;

(3) the taxpayer has complied with the requirements of paragraph *c* of subsection 10 of section 8 of the Technical Tax Amendments Act, 2012; and

(4) the taxpayer files with the Minister of Revenue, on or before 1 June 2016, an amended fiscal return for each of the taxation years referred to in subparagraph 2.

Sections 93.1.8 and 93.1.12 of the Tax Administration Act (chapter A-6.002) apply to assessments referred to in the fifth paragraph, with the necessary modifications.

Chapter V.2 of Title II of Book I of Part I of the Taxation Act applies, with the necessary modifications, in relation to an election referred to in the first paragraph and subparagraph 3 of the fifth paragraph. In addition, for the purposes of section 21.4.7 of that Act in respect of that election, a taxpayer is deemed to have complied with a requirement of section 21.4.6 of that Act if the taxpayer complies with it on or before 1 June 2016.

For the purposes of this section,

(1) "participating interest" has the meaning assigned by sections 94.1 to 94.4 of the Income Tax Act contained in section 18 of Bill C-10 of the second session of the 39th Parliament as passed by the House of Commons on 29 October 2007; and

(2) a reported inclusion or a reported deduction, in respect of a participating interest held in a taxation year of a taxpayer that ends in the relevant period means an amount included or deducted, as the case may be, by the taxpayer in computing income for the year, in respect of the participating interest, as shown in the taxpayer's fiscal return for the year filed under the Taxation Act pursuant to the Minister of Finance's fiscal policy providing for the harmonization of that latter Act with those sections 94.1 to 94.4.

234. This Act comes into force on 4 December 2015, except sections 2, 3 and 168 to 171 which come into force on the date of coming into force of the Act to establish the new Code of Civil Procedure (2014, chapter 1).

NATIONAL ASSEMBLY

FIRST SESSION FORTY-FIRST LEGISLATURE

Bill 210
(Private)

An Act concerning an immovable situated in the territory of Ville de Québec

Introduced 16 September 2015
Passed in principle 4 December 2015
Passed 4 December 2015
Assented to 4 December 2015

Québec Official Publisher
2015

Bill 210

(Private)

AN ACT CONCERNING AN IMMOVABLE SITUATED IN THE TERRITORY OF VILLE DE QUÉBEC

AS, on 22 August 1966, under a deed of exchange, a copy of which was registered at the registry office of the registration division of Québec on 23 August 1966 under number 593 220, the Corporation de la Cité de Sainte-Foy acquired from the Commission scolaire de Ste-Foy an immovable known and designated as part of lot 208-A of the official cadastre of Paroisse de Sainte-Foy;

AS that immovable is now included in an immovable known and designated as lots 5 607 761 and 1 758 372 of the cadastre of Québec, registration division of Québec;

AS the deed of exchange entered into between the Corporation de la Cité de Sainte-Foy and the Commission scolaire de Ste-Foy must be validated since the alienation under the deed was not approved or permitted as required under section 228 of the Education Act (R.S.Q., 1964, chapter 235) in force when the deed was entered into;

THE PARLIAMENT OF QUÉBEC ENACTS AS FOLLOWS:

1. The deed of exchange entered into between the Commission scolaire de Ste-Foy and the Corporation de la Cité de Sainte-Foy, a copy of which was registered at the registry office of the registration division of Québec on 23 August 1966 under number 593 220, cannot be cancelled on the grounds that the approval and permission required under section 228 of the Education Act (R.S.Q., 1964, chapter 235) in force when the deed was entered into were not obtained.

2. Within 60 days of the date of assent to this Act, Ville de Québec must file a true copy of the Act at the registry office of the registration division of Québec and ensure that it is registered against lots 5 607 761 and 1 758 372 of the cadastre of Québec.

3. This Act comes into force on 4 December 2015.

NATIONAL ASSEMBLY

FIRST SESSION FORTY-FIRST LEGISLATURE

Bill 213
(Private)

An Act respecting the property tax applicable to PF Résolu Canada Inc. as a consumer of the electric power it produces at its hydroelectric installations in the territory of Municipalité de Saint-David-de-Falardeau

Introduced 10 November 2015
Passed in principle 4 December 2015
Passed 4 December 2015
Assented to 4 December 2015

Québec Official Publisher
2015

Bill 213

(Private)

AN ACT RESPECTING THE PROPERTY TAX APPLICABLE TO PF RÉSOLU CANADA INC. AS A CONSUMER OF THE ELECTRIC POWER IT PRODUCES AT ITS HYDROELECTRIC INSTALLATIONS IN THE TERRITORY OF MUNICIPALITÉ DE SAINT-DAVID-DE-FALARDEAU

AS section 222 of the Act respecting municipal taxation (chapter F-2.1) prescribes that a person, other than Hydro-Québec or any of its subsidiaries, who operates an electric power production system, who consumes all or part of the power the person produces and whose immovable not entered on the property assessment roll under section 68 of that Act or exempt from taxation under paragraph 7 of section 204 of that Act was subject, for the municipal fiscal year beginning in 1979, to the taxes provided for in section 101 of the Property Assessment Act (chapter E-16), must pay to the local municipality in whose territory the immovable is situated, as municipal property tax on that immovable or on the whole of such immovables, a tax computed in accordance with section 223 of the Act respecting municipal taxation;

AS PF Résolu Canada Inc. is subject to section 222 of the Act respecting municipal taxation with respect to the immovables it possesses in the territory of Municipalité de Saint-David-de-Falardeau, which are not entered on the roll under section 68 of that Act and which were subject, for the municipal fiscal year beginning in 1979, to the taxes provided for in section 101 of the Property Assessment Act;

AS, under section 223 of the Act respecting municipal taxation, the tax payable as municipal property tax by PF Résolu Canada Inc. for the 2014 fiscal year was $3,102,359;

AS a dispute arose in relation to the method for computing the tax payable as municipal property tax provided for in section 223 of the Act respecting municipal taxation;

AS it is necessary to replace the application of section 223 of the Act respecting municipal taxation by another method for determining the tax payable as municipal property tax that PF Résolu Canada Inc. must pay to Municipalité de Saint-David-de-Falardeau;

THE PARLIAMENT OF QUÉBEC ENACTS AS FOLLOWS:

1. Section 223 of the Act respecting municipal taxation (chapter F-2.1) does not apply to PF Résolu Canada Inc., nor its successors or right-holders who operate an electric power production system, who consume all or part of the power they produce and whose immovable not entered on the roll under section 68 of that Act or exempt from taxation under paragraph 7 of section 204 of that Act and situated in the territory of Municipalité de Saint-David-de-Falardeau was subject, for the municipal fiscal year beginning in 1979, to the taxes provided for in section 101 of the Property Assessment Act (chapter E-16).

2. For the purposes of section 222 of the Act respecting municipal taxation, the tax payable to Municipalité de Saint-David-de-Falardeau by PF Résolu Canada Inc., its successors or right-holders, other than Hydro-Québec or any of its subsidiaries, who operate an electric power production system, who consume all or part of the power they produce and whose immovable not entered on the roll under section 68 of that Act or exempt from taxation under paragraph 7 of section 204 of that Act and situated in the territory of Municipalité de Saint-David-de-Falardeau was subject, for the municipal fiscal year beginning in 1979, to the taxes provided for in section 101 of the Property Assessment Act, as municipal property tax on that immovable or, as the case may be, on the whole of such immovables in the territory, is determined as follows:

(1) for any fiscal year between 1 January 2015 and 31 December 2022, the amount of the tax is set at $3,102,359 per fiscal year;

(2) for any fiscal year beginning on or after 1 January 2023, the amount of the tax corresponds to the amount for the preceding fiscal year adjusted according to the Consumer Price Index for Québec as established by Statistics Canada for a 12-month period. The index is published in September of the preceding fiscal year;

(3) the amount of the tax for a fiscal year cannot, however, be less than the amount of the tax for the preceding fiscal year.

3. This Act comes into force on 4 December 2015.

NATIONAL ASSEMBLY

FIRST SESSION FORTY-FIRST LEGISLATURE

Bill 216
(Private)

An Act respecting the sale of an immovable situated on the Bois-Franc Ouest range in Notre-Dame-du-Sacré-Cœur-d'Issoudun

Introduced 11 November 2015
Passed in principle 4 December 2015
Passed 4 December 2015
Assented to 4 December 2015

Québec Official Publisher
2015

Bill 216

(Private)

AN ACT RESPECTING THE SALE OF AN IMMOVABLE SITUATED ON THE BOIS-FRANC OUEST RANGE IN NOTRE-DAME-DU-SACRÉ-CŒUR-D'ISSOUDUN

AS, on 1 September 1963, Émile Demers acquired from the school commissioners of the parish municipality of Notre-Dame-du-Sacré-Cœur-d'Issoudun an immovable known and designated as part of lot 443 of the cadastre of the parish of Sainte-Croix, registration division of Lotbinière, including the building erected on it;

AS, on 17 September 1963, the deed of sale was registered at the registry office of the registration division of Lotbinière under number 92 605;

AS, on 17 February 1969, Fernand Demers acquired from Émile Demers an immovable known and designated as part of lot 443 of the cadastre of the parish of Sainte-Croix, registration division of Lotbinière, including the building erected on it;

AS, on 26 February 1969, the deed of sale was registered at the registry office of the registration division of Lotbinière under number 102 533;

AS, as a result of the cadastral renewal plan deposited on 6 November 2007, the immovable designated as part of lot 443 of the cadastre of the parish of Sainte-Croix became lot 3 591 074 of the cadastre of Québec, registration division of Lotbinière;

AS the immovable is situated at 201 rang du Bois-Franc Ouest in Notre-Dame-du-Sacré-Cœur-d'Issoudun;

AS Fernand Demers died on 10 June 2012 and, according to his will, executed before notary Jules Pouliot on 31 January 1994, his wife, Colette Castonguay, is his sole universal legatee in full ownership, as evidenced by the declaration of transmission executed before notary Christine Bergeron on 4 September 2012 and registered at the registry office of the registration division of Lotbinière on 5 September 2012 under number 19 387 960;

AS, at the time of the sale made on 1 September 1963 and registered at the registry office of the registration division of Lotbinière under number 92 605, the seller, the school commissioners of the parish municipality of Notre-Dame-du-Sacré-Cœur-d'Issoudun, designated their chair, Joseph Kirouac, to sign the

deed of sale in accordance with a resolution of the school corporation dated 30 July 1963;

AS, on 1 September 1963, section 240 of the Education Act (R.S.Q., 1941, chapter 59) prescribed that no school corporation could sell property belonging to it without the approval of the Superintendent;

AS the Superintendent's approval was not obtained for the sale made on 1 September 1963;

AS an alienation made without such approval is absolutely null;

AS, on 13 May 1964, section 240 of the Education Act was amended and "Superintendent" was replaced by "Minister of Education";

AS it is important for Colette Castonguay that the want of approval by the Superintendent affecting the immovable designated as lot 3 591 074 of the cadastre of Québec, registration division of Lotbinière, be remedied;

THE PARLIAMENT OF QUÉBEC ENACTS AS FOLLOWS:

1. Despite section 240 of the Education Act (R.S.Q., 1941, chapter 59), the alienation by the school commissioners of the parish municipality of Notre-Dame-du-Sacré-Cœur-d'Issoudun in favour of Émile Demers and arising from the deed a copy of which was registered at the registry office of the registration division of Lotbinière on 17 September 1963 under number 92 605 may not be annulled on the ground that the approval required by that Act was not obtained.

2. This Act must be registered at the registry office, in the index of immovables, under lot number 3 591 074 of the cadastre of Québec, registration division of Lotbinière.

3. This Act comes into force on 4 December 2015.

NATIONAL ASSEMBLY

FIRST SESSION FORTY-FIRST LEGISLATURE

Bill 217
(Private)

An Act respecting the continuance of La Mine Belleterre Québec Ltée (libre de responsabilité personnelle) and Boston Bay Mines Limited

Introduced 12 November 2015
Passed in principle 4 December 2015
Passed 4 December 2015
Assented to 4 December 2015

Québec Official Publisher
2015

Bill 217

(Private)

AN ACT RESPECTING THE CONTINUANCE OF LA MINE BELLETERRE QUÉBEC LTÉE (LIBRE DE RESPONSABILITÉ PERSONNELLE) AND BOSTON BAY MINES LIMITED

AS, on 12 July 1937, La Mine Belleterre Québec Ltée (libre de responsabilité personnelle) was constituted under the Mining Companies Act (chapter C-47) and may at one time have been and may still be a public company;

AS, on 8 November 1971, Boston Bay Mines Limited was constituted under Part I of the Companies Act (chapter C-38) and may at one time have been and may still be a public company;

AS section 715 of the Business Corporations Act (chapter S-31.1) states that a company constituted, continued or resulting from an amalgamation under Part I of the Companies Act must, before 14 February 2016, send articles of continuance to the enterprise registrar in accordance with that Act and that, otherwise, the company is dissolved as of that date;

AS section 715.1 of the Business Corporations Act states that a company constituted under the Mining Companies Act must, before 14 February 2016, send articles of continuance to the enterprise registrar in accordance with that Act and that, otherwise, the company is dissolved as of that date;

AS in order to send articles of continuance in accordance with sections 715 and 715.1 of the Business Corporations Act, the directors of a company must first make a by-law which then has to be confirmed by two-thirds of the votes cast by the shareholders at a special general meeting called for that purpose, in accordance with sections 123.131, 123.132 and 123.133 of the Companies Act;

AS La Mine Belleterre Québec Ltée (libre de responsabilité personnelle) and Boston Bay Mines Limited have been inactive since 1993;

AS the books and records of La Mine Belleterre Québec Ltée (libre de responsabilité personnelle) and Boston Bay Mines Limited are incomplete due to the inactivity of these companies for several decades as well as poor storage conditions of what books and records were retained;

AS the one director and officer that is believed to have been duly elected for both La Mine Belleterre Québec Ltée (libre de responsabilité personnelle) and Boston Bay Mines Limited, John Patrick Sheridan, passed away on 10 January 2015;

AS there has been no replacement on the boards of directors of La Mine Belleterre Québec Ltée (libre de responsabilité personnelle) and Boston Bay Mines Limited since the passing of John Patrick Sheridan;

AS due to incomplete books and records of La Mine Belleterre Québec Ltée (libre de responsabilité personnelle) and Boston Bay Mines Limited, it is impossible to identify all shareholders, call a special general meeting and obtain confirmation of a by-law by two-thirds of the votes cast by the shareholders at such a meeting;

AS in these circumstances, absent the passage of a private bill, La Mine Belleterre Québec Ltée (libre de responsabilité personnelle) and Boston Bay Mines Limited will be dissolved as of 14 February 2016;

AS due diligence is currently underway to determine what, if any, are the assets, properties, rights and privileges owned or held by La Mine Belleterre Québec Ltée (libre de responsabilité personnelle) and Boston Bay Mines Limited;

AS it is in the interests of La Mine Belleterre Québec Ltée (libre de responsabilité personnelle) and Boston Bay Mines Limited and their respective shareholders that both companies be continued under the Business Corporations Act so as to protect their assets, properties, rights and privileges, as the case may be;

AS it is in the interests of La Mine Belleterre Québec Ltée (libre de responsabilité personnelle) that its name meet the requirement of section 20 of the Business Corporations Act;

AS it is in the interests of Boston Bay Mines Limited, also known as "Société Minière de la Baie de Boston Ltée", that it be allowed to continue using the English version of its name;

THE PARLIAMENT OF QUÉBEC ENACTS AS FOLLOWS:

1. La Mine Belleterre Québec Ltée (libre de responsabilité personnelle) and Boston Bay Mines Limited are continued under the Business Corporations Act (chapter S-31.1).

2. The name of La Mine Belleterre Québec Ltée (libre de responsabilité personnelle) is replaced by "La Mine Belleterre Québec ltée".

3. The name "Boston Bay Mines Limited" is the English version of the name "Société Minière de la Baie de Boston Ltée".

4. This Act comes into force on 4 December 2015.

Regulations and other Acts

Gouvernement du Québec

O.C. 276-2016, 6 April 2016

Tax Administration Act
(chapter A-6.002)

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

Agreement on Social Security between the Gouvernement du Québec and the Government of the Federative Republic of Brazil — Ratification and making of the Regulation respecting the implementation

Ratification of the Agreement on Social Security between the Gouvernement du Québec and the Government of the Federative Republic of Brazil and making of the Regulation respecting the implementation of that Agreement

WHEREAS Order in Council 215-2011 dated 16 March 2011 authorized the Minister of International Relations to sign alone an agreement and an administrative arrangement on social security between the Gouvernement du Québec and the Government of the Federative Republic of Brazil;

WHEREAS the Agreement on Social Security between the Gouvernement du Québec and the Government of the Federative Republic of Brazil as well as the Administrative Arrangement consequent thereto were signed at Brasilia on 26 October 2011;

WHEREAS this Agreement on Social Security aims, in particular, to guarantee the benefits of the coordination in the fields of retirement, survivorship, disability and death to the persons concerned;

WHEREAS the Government may, by regulation made under the first paragraph of section 96 of the Tax Administration Act (chapter A-6.002), give effect to international agreements of a fiscal nature entered into under the first paragraph of section 9 of that Act;

WHEREAS, under the second paragraph of section 215 of the Act respecting the Québec Pension Plan (chapter R-9), the Government may make regulations respecting the manner in which that Act is to apply to any case affected by the agreement entered into with another country;

WHEREAS the Agreement constitutes an international agreement within the meaning of the third paragraph of section 19 of the Act respecting the Ministère des Relations internationales (chapter M-25.1.1);

WHEREAS the Agreement also constitutes an important international commitment within the meaning of subparagraph 1 of the second paragraph of section 22.2 of that Act;

WHEREAS, under the third paragraph of section 20 of that Act, international agreements referred to in section 22.2 of that Act must, to be valid, be signed by the Minister, approved by the National Assembly and ratified by the Government;

WHEREAS, under section 22.4 of that Act, the ratification of an international agreement or the making of an order referred to in the third paragraph of section 22.1 of that Act may not take place, where it concerns an important international commitment, until the commitment is approved by the National Assembly;

WHEREAS the Agreement was approved by the National Assembly on 29 March 2012;

WHEREAS, under Order in Council 808-2011 dated 3 August 2011, proposed regulations of the Government and of the Commission des normes, de l'équité, de la santé et de la sécurité du travail, respecting the implementation of agreements on social security signed by the Gouvernement du Québec, are excluded from the application of the Regulations Act (chapter R-18.1);

IT IS ORDERED, therefore, on the recommendation of the Minister of International Relations and La Francophonie and the Minister of Finance:

THAT the Agreement on Social Security between the Gouvernement du Québec and the Government of the Federative Republic of Brazil, signed at Brasilia on 26 October 2011 and approved by the National Assembly on 29 March 2012, whose text is attached to the implementing regulation of this Agreement mentioned below, be ratified;

THAT the Regulation respecting the implementation of the Agreement on Social Security between the Gouvernement du Québec and the Government of the Federative Republic of Brazil, attached to this Order in Council, be made.

JUAN ROBERTO IGLESIAS,
Clerk of the Conseil exécutif

Regulation respecting the implementation of the Agreement on Social Security between the Gouvernement du Québec and the Government of the Federative Republic of Brazil

Tax Administration Act
(chapter A-6.002, ss. 9 and 96)

An Act respecting the Québec Pension Plan
(chapter R-9, s. 215)

1. The Act respecting the Québec Pension Plan (chapter R-9) and the regulations thereunder apply to every person referred to in the Agreement on Social Security between the Gouvernement du Québec and the Government of the Federative Republic of Brazil, signed at Brasilia on 26 October 2011 attached as Schedule 1.

2. This Act and those regulations apply in the manner stipulated in that Agreement and the Administrative Arrangement for the application of the Agreement attached as Schedule 2.

3. This Regulation comes into force on 1 October 2016.

SCHEDULE 1
(s. 1)

AGREEMENT ON SOCIAL SECURITY BETWEEN QUÉBEC AND THE FEDERATIVE REPUBLIC OF BRAZIL

THE GOUVERNEMENT DU QUÉBEC
AND
THE GOVERNMENT OF THE FEDERATIVE REPUBLIC OF BRAZIL

Hereinafter referred to as the "Parties",

HAVE DECIDED to co-operate in the field of social security and to enter into an agreement for that purpose,

HAVE AGREED AS FOLLOWS:

PART 1
GENERAL PROVISIONS

ARTICLE 1
DEFINITIONS

1. In the Agreement, unless the context indicates otherwise, the following expressions mean:

(a) "competent authority": the Québec Minister or the Brazil Minister responsible for administering the legislation referred to in Article 2;

(b) "competent institution": the Québec department or agency responsible for the administration of the legislation referred to in Article 2 or; as regards Brazil, the National Institute of Social Security (*Instituto Nacional do Seguro Social*);

(c) "legislation": laws, regulations, statutory provisions and any other application measures, existing or future, concerning the social security branches and systems referred to in Article 2;

(d) "benefit": a pension, annuity, indemnity, lump sum payment or any other benefit in cash provided for under the legislation of each Party, including any extension, supplement or increase;

(e) "national": a Canadian citizen who is or has been subject to the legislation referred to in subparagraph *a* of paragraph 1 of Article 2 or has acquired rights under that legislation, or a Brazilian citizen.

2. Any term not defined in the Agreement has the meaning given to it under the applicable legislation.

ARTICLE 2
MATERIAL SCOPE

1. The Agreement shall apply:

(a) as regards Québec, to the legislation concerning the Québec Pension Plan;

(b) as regards Brazil, to the legislation concerning the general social security plan and social security plans for civil servants, with reference to retirement benefits for disability, old age and survivor's pension.

2. The Agreement shall also apply to any legislative or regulatory act which amends, adds to or replaces the legislation referred to in paragraph 1.

3. The Agreement shall also apply to a legislative or regulatory act of one Party which extends the existing systems to new categories of beneficiaries or to new benefits; however, that Party shall have three months from the date of the official publication of that act to notify the other Party that the Agreement shall not apply thereto.

4. The Agreement shall not apply to a legislative or regulatory act covering a new branch of social security, unless the Agreement is amended to that effect.

ARTICLE 3
PERSONAL SCOPE

Unless otherwise provided, the Agreement shall apply to all persons who are or have been subject to the legislation of a Party, or who have acquired rights under that legislation.

ARTICLE 4
EQUALITY OF TREATMENT

Unless otherwise provided in the Agreement, the persons referred to in Article 3 shall receive, in the administration of the legislation of a Party, the same treatment as nationals of that Party.

ARTICLE 5
EXPORT OF BENEFITS

Unless otherwise provided in the Agreement, cash benefits acquired under the legislation of a Party, whether under the application of the Agreement or not, may not be reduced, modified, suspended, cancelled or confiscated simply because the beneficiary resides or stays outside the territory of the Party in which the debtor institution is located; such benefits shall be payable to the beneficiary wherever he or she resides or stays.

PART II
PROVISIONS CONCERNING THE APPLICABLE LEGISLATION

ARTICLE 6
GENERAL RULE

Unless otherwise provided in the Agreement and subject to Articles 7 to 11, persons who work in the territory of one Party shall, with respect to such work, be subject to the legislation of that Party.

ARTICLE 7
SELF-EMPLOYED PERSONS

Self-employed persons residing in the territory of one Party and working in the territory of the other Party or in the territory of both Parties shall, with respect to such work, be subject only to the legislation of their place of residence.

ARTICLE 8
SECONDED PERSONS

1. Persons subject to the legislation of one Party and temporarily seconded by their employers for a period not exceeding sixty months to the territory of the other Party shall, with respect to such work, be subject only to the legislation of the first Party during the term of their secondment.

2. Persons who have been seconded during the maximum term provided for in paragraph 1 shall benefit from a new secondment only after the expiry of one year following the end of the previous secondment.

ARTICLE 9
TRAVELING PERSONNEL EMPLOYED BY AN INTERNATIONAL CARRIER

1. Persons who work in the territory of both Parties as travelling personnel for an international carrier which, on behalf of others or on its own account, transports passengers or goods by air or by sea, and which has its head office in the territory of one Party, shall be subject to the legislation of the Party in whose territory the head office is located.

2. Notwithstanding the preceding paragraph, if those persons are employed by a branch or permanent agency which the undertaking has in the territory of one Party other than the Party in whose territory it has its head office, they shall, with respect to that work, be subject only to the legislation of the Party in the territory of which the branch or permanent agency is located.

ARTICLE 10
PERSONS IN PUBLIC SERVICE

1. Persons who are in public service for one of the Parties and who are assigned to a posting in the territory of the other Party shall, with respect to that posting, be subject only to the legislation of the first Party.

2. Persons residing in the territory of one Party, recruited in that territory to occupy a post in public service for the other Party shall, with respect to that posting, be subject only to the legislation applicable in that territory.

3. This Agreement shall be interpreted as respecting the provisions of the Vienna Convention on Diplomatic Relations of 18 April 1961 and the provisions of the Vienna Convention on Consular Relations of 24 April 1963.

ARTICLE 11
EXCEPTIONS

The competent authorities of both Parties may, by mutual agreement, make exceptions to the provisions of Articles 6 to 10 with respect to any persons or categories of persons.

PART III
PROVISIONS RESPECTING BENEFITS

ARTICLE 12
BENEFITS AND PERIODS OF INSURANCE

1. This Part shall apply to all benefits provided for under the Act respecting the Québec Pension Plan.

2. In this Part, the expression "period of insurance" means, as regards Québec, any year for which contributions have been paid or a disability pension has been paid under the Act respecting the Québec Pension Plan or any other year deemed equivalent, and as regards Brazil, a period of coverage defined in the general social security plan.

ARTICLE 13
PRINCIPLE OF TOTALIZATION

1. Where persons have completed periods of insurance under the legislation of both Parties and are not eligible for benefits by virtue of the periods of insurance completed solely under the legislation of one Party, the competent institution of that Party shall totalize, to the extent necessary for entitlement to benefits under the legislation that it administers, the periods completed under its legislation and the periods of insurance completed under the legislation of the other Party.

2. In case of overlapping of periods of insurance, each Party considers only the periods completed under its own legislation.

ARTICLE 14
BENEFITS UNDER LEGISLATION OF QUÉBEC

1. If persons who have been subject to the legislation of both Parties meet the requirements for entitlement to benefits, for themselves, their dependants, survivors or other rightful claimants, under the legislation of Québec without having recourse to the totalization principle set forth in Article 13, the competent institution of Québec shall determine the amount of benefits in accordance with the provisions of the legislation it administers.

2. If the persons referred to in paragraph 1 do not meet the requirements for entitlement to benefits without totalization, the competent institution of Québec shall proceed as follows:

(a) it shall recognize one year of contributions when the competent institution of Brazil certifies that a period of insurance of at least 3 months in a calendar year has been credited under the legislation of Brazil, provided that the year is included in the contributory period as defined in the legislation of Québec;

(b) it shall totalize, in accordance with Article 13, the years recognized under subparagraph *a* and the periods completed under the legislation of Québec.

3. When the totalization set forth in paragraph 2 entitles persons to benefits, the competent institution of Québec shall determine the amount of benefits payable by adding together the amounts calculated in accordance with subparagraphs *a* and *b* below:

(a) the amount of that portion of the benefit which is related to earnings shall be calculated according to the provisions of the legislation of Québec;

(b) the amount of the flat-rate component of the benefit payable under the provisions of this Agreement is determined by multiplying

the amount of the flat-rate benefit determined under the provisions of the Québec Pension Plan

by

the fraction that represents the ratio between the periods of contribution to the Québec Pension Plan and the contributory period defined in the legislation concerning that Plan.

ARTICLE 15
BENEFITS UNDER THE LEGISLATION OF BRAZIL

1. When persons who have been subject to the legislation of both Parties meet the requirements for entitlement to benefits, for themselves or for their dependants, survivors or other rightful claimants, under the legislation of Brazil without having recourse to the totalization principle set forth in Article 13, the competent institution of Brazil shall determine the amount of benefits in accordance with the provisions of the legislation it administers.

2. For determining entitlement to an old age benefit under the legislation of Brazil:

(a) one year that is a period of insurance under the Québec Pension Plan shall be considered as twelve months of insurance under the legislation of Brazil;

(b) one month that is a period of insurance under Canada's Old Age Security Act and does not overlap an insurance period under the Québec Pension Plan shall be considered as one month of insurance under the legislation of Brazil.

3. For determining entitlement to a disability or a death benefit under the legislation of Brazil, one year that is a period of insurance under the Québec Pension Plan shall be considered as twelve months of insurance under the legislation of Brazil.

4. Where a person is entitled to benefits under the legislation of Brazil only through the application of the provisions respecting the totalization principle set forth in Article 13, the competent institution of Brazil:

(a) shall calculate the theoretical value of the benefit that would be paid if all the periods of insurance had been completed under the legislation of Brazil;

(b) shall calculate, based on the theoretical value of the benefit, the actual value of the benefit payable in proportion to the periods of insurance completed under the legislation of Brazil and the total of the periods of insurance under the legislation of both Parties, which may not exceed the minimum period required for determining entitlement to the benefit.

5. The theoretical value of the benefit calculated in accordance with subparagraph *a* of paragraph 4 may not, at any time, be inferior to the minimum guaranteed by the legislation of Brazil.

ARTICLE 16
PERIODS COMPLETED UNDER THE LEGISLATION OF A THIRD PARTY

1. If a person is not entitled to benefits after the totalization provided for in Article 14 or 15, the periods of insurance completed under the legislation of a third party that is related to both Parties by a legal social security instrument containing provisions regarding the totalization of periods of insurance shall be taken into consideration in determining the entitled to benefits, in accordance with the provisions of this Part.

2. As regards Brazil, if a person is not entitled to benefits after the totalization provided for in paragraph 1, the person's entitlement to the benefits shall be determined by the totalization of those periods and the periods of insurance completed under the legislation of a third party with whom only Brazil is bound by a legal social security instrument containing provisions regarding the totalization of periods of insurance.

PART IV
MISCELLANEOUS PROVISIONS

ARTICLE 17
ADMINISTRATIVE ARRANGEMENT

1. The terms and conditions for the application of the Agreement shall be set out in an Administrative Arrangement to be agreed to by the Parties.

2. The liaison agency of each Party shall be designated in the Administrative Arrangement.

ARTICLE 18
CLAIM FOR BENEFITS

1. To be entitled to benefits under the Agreement, a person must file a claim in accordance with the terms and conditions set forth in the Administrative Arrangement.

2. For the application of Part III, a claim for benefits filed under the legislation of one Party after the date of coming into force of the Agreement shall be deemed to be a claim for corresponding benefits under the legislation of the other Party

(a) where a person indicates that the claim be considered as a claim under the legislation of the other Party; or

(b) where a person indicates, at the time of the claim, that periods of insurance have been completed under the legislation of the other Party.

The date of the receipt of such a claim shall be considered to be the date on which that claim was received under the legislation of the first Party.

3. The preceding paragraph shall not impede a person from requesting that a claim for benefits under the legislation of the other Party be deferred.

ARTICLE 19
PAYMENT OF BENEFITS

1. Cash benefits shall be payable directly to a beneficiary in the currency of the Party making the payment or in the currency that has legal tender status in the place of residence of the beneficiary, without any deduction for administrative fees or for any other charges incurred for the payment of such benefits.

2. For the purposes of paragraph 1, where an exchange rate is required, such rate shall be the official exchange rate in force on the day the payment is made.

ARTICLE 20
FILING DEADLINE IN CASE OF RECOURSE

1. A claim for recourse which, under the legislation of one Party, must be filed within a prescribed period with the competent institution of that Party shall be accepted if filed within the same period with the corresponding competent institution of the other Party. In such a case, the competent institution of the second Party shall immediately forward the claim to the competent institution of the first Party.

2. The date on which this claim is filed with the competent institution of one Party shall be considered the date of filing with the competent institution of the other Party.

ARTICLE 21
EXAMINATIONS

1. At the request of the competent institution of a Party, the competent institution of the other Party shall make the necessary arrangements to carry out the required examinations for persons residing or staying in the territory of the second Party.

2. The examinations referred to in paragraph 1 shall not be refused solely because they have been made in the territory of the other Party.

ARTICLE 22
FEES AND EXEMPTION FROM AUTHENTICATION

1. Any exemption or reduction of fees provided for in the legislation of one Party with respect to the issuing of a certificate or document required for the administration of that legislation shall be extended to the certificates and documents required for the administration of the legislation of the other Party.

2. Any document required for the application of the Agreement shall be exempt from authentication by the responsible authorities.

ARTICLE 23
PROTECTION OF PERSONAL INFORMATION

1. For the purposes of this Article, the term "legislation" has the usual meaning given to it under the domestic laws of each Party.

2. Any information from which the identity of a natural person may be established is personal information. Personal information is confidential.

3. The agencies of both Parties may release to each other any personal information necessary for the application of the Agreement.

4. Personal information released to an agency of a Party within the framework of the application of the Agreement may be used only for the application of the Agreement.

A Party may however use such information for other purposes with the consent of the person concerned or, without the person's consent, in the following cases:

(a) its use is compatible and has a direct and relevant link with the purposes for which the information was collected;

(b) its use is clearly for the benefit of the person to whom it relates, or;

(c) its use is necessary for the administration of an Act in Québec or Brazil.

5. Personal information released to an agency of a Party within the framework of the application of the Agreement may only be released to another agency of that Party for the application of the Agreement.

A Party may however release such information with the consent of the person concerned or, without the person's consent, only in the following cases:

(a) the information is necessary for the exercise of the rights and powers of an agency of a Party;

(b) its release is clearly for the benefit of the person to whom it relates, or

(c) its release is necessary for the administration of an Act in Québec or Brazil.

6. The agencies of both Parties make sure, when transmitting the information referred to in paragraph 3, to use means preserving the confidentiality of such information.

7. The agency of a Party to which the information referred to in paragraph 3 is released, protects it against unauthorized access, alteration and release.

8. The agency of a Party, to which personal information referred to in paragraph 3 is released, takes the necessary measures so that the information is up to date, complete and accurate to serve for the purposes for which it was collected. If required, the agency corrects the information and destroys the information whose collection or storage is not authorized by the legislation that applies to it. The institution also destroys, upon request, the information whose transmission is prohibited under the legislation of the Party that released the information.

9. Subject to the legislation of a Party, the information obtained by that Party, in application of this Agreement, is destroyed when the purposes for which it was collected or used are completed. The agencies of both Parties shall use safe definite destruction means and ensure to preserve the confidential nature of the personal information waiting to be destroyed.

10. Upon request to an agency of a Party, the person concerned has the right to be informed of the release of personal information referred to in paragraph 3 and its use for purposes other than for the application of the Agreement. That person may also have access to personal information concerning him or her and have the information corrected, subject to the exceptions provided for by the legislation of the Party in whose territory the information is held.

11. The competent authorities of the Parties shall inform each other of any amendment to the legislation concerning the protection of personal information, particularly as regards to other grounds for which the information may be used or released to other entities without the consent of the person concerned.

12. The provisions of paragraph 3 and following shall apply, with the necessary adaptations, to other confidential information obtained within the framework of the application of the Agreement or by reason thereof.

ARTICLE 24
MUTUAL ADMINISTRATIVE ASSISTANCE

The competent authorities and institutions shall

(a) communicate to each other any information required for the application of the Agreement;

(b) assist each other free of charge in any matter concerning the application of the Agreement;

(c) forward to each other any information on measures adopted for the purpose of the application of the Agreement or on amendments to their legislation insofar as such amendments affect the application of the Agreement;

(d) notify each other of the difficulties encountered in the interpretation or in the application of the Agreement.

ARTICLE 25
REIMBURSEMENT BETWEEN INSTITUTIONS

1. The competent institution of a Party shall reimburse the competent institution of the other Party for costs incurred for each examination carried out in accordance with Article 21. However, the transmission of examinations or other information already in the possession of the competent institutions shall constitute an integral part of mutual administrative assistance and shall be performed without charge.

2. The Parties shall determine, if applicable, in the Administrative Arrangement whether they waive all or part of the reimbursement of these costs.

ARTICLE 26
COMMUNICATIONS

1. The competent authorities and institutions and the liaison agencies of both Parties may communicate with each other in their official language for the application of the Agreement.

2. A decision of a tribunal or of an institution may be communicated directly to a person residing or staying in the territory of the other Party.

ARTICLE 27
SETTLEMENT OF DISPUTES

1. A joint commission composed of representatives of each Party is in charge of monitoring the application of the Agreement and of proposing e amendments. The joint commission shall meet, as required, at the request of one of the Parties.

2. Difficulties concerning the application or the interpretation of the Agreement shall be settled by the joint commission. Should a solution be impossible by that means, the dispute shall be settled by mutual agreement by both Governments.

PART V
TRANSITIONAL AND FINAL PROVISIONS

ARTICLE 28
TRANSITIONAL PROVISIONS

1. The Agreement shall not confer any right to the payment of benefits for a period predating the date of its coming into force.

2. For the application of Part III and subject to the provisions of paragraph 1,

(a) a period of insurance completed prior to the coming into force of the Agreement shall be taken into consideration for the purposes of determining entitlement to benefits under the Agreement;

(b) a benefit, other than a death benefit provided for in the legislation of Québec, shall be owed under the Agreement even if related to an event prior to the date of its coming into force;

(c) when the claim for benefits, which must be granted in application of Article 13, is filed within two years from the date of the coming into force of the Agreement, rights resulting from the Agreement shall be acquired from the coming into force of the Agreement, or from the date of entitlement to a retirement, survivor or disability benefit if such date follows the coming into force of the Agreement, notwithstanding the provisions of the legislation of either Parties relative to the forfeiture of rights;

(d) benefits that, by reason of nationality or residence, have been refused, diminished or suspended shall be, at the request of the person concerned, granted or re-established from the date of coming into force of the Agreement;

(e) benefits granted before the coming into force of the Agreement shall be revised at the request of the person concerned. They may also be revised ex officio. If the revision leads to benefits lower than those which were paid before the coming into force of the Agreement, the level of benefits previously paid shall be maintained;

(f) if the request referred to in subparagraphs *d* and *e* is filed within two years of the date of the coming into force of the Agreement, rights arising from the Agreement shall be acquired from the date of its coming into force, notwithstanding the provisions of the legislation of either Party relative to the forfeiture of rights;

(g) if the request referred to in subparagraphs *d* and *e* is filed after the two year deadline from the date of coming into force of the Agreement, rights which have not been forfeited shall be acquired from the date of the request, subject to more favourable provisions in the applicable legislation.

3. For the purposes of Article 8, a person sent to the territory of the other Party is presumed to have been seconded as of the date of coming into force of the Agreement.

ARTICLE 29
COMING INTO FORCE AND TERM

1. Each Party shall notify the other when the internal procedures required for the coming into force of the Agreement have been completed.

2. The Agreement shall come into force on the first day of the fourth month following the date of receipt of the notification through which the last of the two Parties will have notified to the other Party that the legal formalities required are fulfilled.

3. The Agreement is entered into for an indefinite term as of the date of its coming into force.

4. The Agreement may be denounced by either Party by notification to the other Party. The Agreement shall expire on the 31 December of the year which follows the notification.

5. If the Agreement is denounced, all rights acquired by a person under the provisions of the Agreement shall be maintained and negotiations shall be entered into so as to rule on the rights in the process of being acquired under the Agreement.

Done at Brasilia on 26 October 2011, in two copies, in French and in Portuguese, both texts being equally authentic.

FOR THE GOUVERNEMENT DU QUÉBEC
MONIQUE GAGNON-TREMBLAY
Minister of International Relations and Minister responsible for La Francophonie

FOR THE GOVERNMENT OF THE FEDERATIVE REPUBLIC OF BRAZIL
GARIBALDI ALVES FILHO
Federal Minister of Social Welfare

SCHEDULE 2
(s. 2)

ADMINISTRATIVE ARRANGEMENT FOR THE IMPLEMENTATION OF THE AGREEMENT ON SOCIAL SECURITY BETWEEN QUÉBEC AND THE FEDERATIVE REPUBLIC OF BRAZIL

THE COMPETENT AUTHORITY OF QUÉBEC
AND
THE COMPETENT AUTHORITY OF THE FEDERATIVE REPUBLIC OF BRAZIL

CONSIDERING paragraph 1 of Article 17 of the Agreement on Social Security between Québec and the Federative Republic of Brazil;

HAVE AGREED AS FOLLOWS:

ARTICLE 1
DEFINITIONS

In this Administrative Arrangement,

(a) the term "Agreement" shall mean the Agreement on Social Security between Québec and the Federative Republic of Brazil;

(b) all other terms used in this Arrangement shall have the meaning given to them in Article 1 of the Agreement.

ARTICLE 2
LIAISON AGENCIES

The function of the liaison agencies provided for in Article 17 of the Agreement is to facilitate the application of the Agreement and adopt measures necessary to ensure its efficient management. The designated liaison agencies shall be:

(a) as regards Québec, the *Bureau des ententes de sécurité sociale* of the *Régie des rentes du Québec* or any other agency that the *gouvernement du Québec* may subsequently designate;

(b) as regards Brazil, the *Instituto Nacional do Seguro Social* (National Institute of Social Security).

ARTICLE 3
CERTIFICATE OF COVERAGE

1. For the purposes of Articles 7 and 8, paragraph 1 of Article 10 and Article 11 of the Agreement, when a person remains subject to the legislation of one Party while working in the territory of the other Party, a certificate of coverage shall be issued:

(a) by the liaison agency of Québec, when the person remains subject to the legislation of Québec;

(b) by the liaison agency of Brazil, when the person remains subject to the legislation of Brazil.

2. The liaison agency shall issue the certificate of coverage and shall send it to the applicant who, in the case of an employer, shall send it to the employee. A true copy shall be sent to the liaison agency of the other Party.

3. A certificate of coverage shall be issued for each individual period of secondment. The sum of these periods shall only exceed sixty months in application of Article 11 of the Agreement.

4. For the purposes of Article 11 of the Agreement, exceptions to the provisions concerning coverage must result from an exchange of information between the liaison agencies that inform each other of the decision.

ARTICLE 4
BENEFITS

1. For the purposes of Part III of the Agreement, a claim for benefits under the Agreement may be filed with the liaison agency of either Party or with the competent institution of the Party whose legislation is applicable, with the required supporting documents.

2. When the claim for benefits referred to in paragraph 1 is filed with a liaison agency, that agency shall send it to the competent institution of the Party whose legislation is applicable, along with copies of the required supporting documents that that agency has certified as being true to the originals.

3. A copy of the claim for benefits and supporting documents shall be kept by the liaison agency with which the initial claim was filed. A copy of these documents shall, upon request, be made available to the competent institution of the other Party.

4. A liaison form shall accompany the claim and the supporting documents referred to in this Article.

5. If so requested by the competent institution or by the liaison agency of a Party, the liaison agency or the competent institution of the other Party shall indicate, on the liaison form, the periods of insurance recognized under the legislation it administers.

6. As soon as it reaches a decision on a claim under the legislation it administers, the competent institution shall notify and inform the claimant of any recourse available and the deadlines for such recourse as provided for in that legislation; it shall also notify the liaison agency of the other Party using the liaison form.

7. Information on medical examinations shall be provided on the Medical Report form and, where applicable, complementary medical information shall be appended to this report. A complementary examination may be requested if the competent institution deems if necessary.

ARTICLE 5
REIMBURSEMENT BETWEEN INSTITUTIONS

1. For the purposes of Article 25 of the Agreement, at the end of each calendar year, the liaison agency of a Party shall send to the liaison agency of the other Party a reimbursement claim pertaining to the complementary examinations carried out at the request of the competent institution of that Party.

2. The amounts owed must be paid during the semester following the date of receipt of the reimbursement claims made in accordance with the provisions of paragraph 1.

ARTICLE 6
FORMS

1. The model of the forms required for the application of the Agreement and this Administrative Arrangement shall be determined by mutual agreement by the liaison agencies or the competent institutions of both Parties.

2. By mutual agreement, the competent authorities may use a data and document transmittal system between the institutions by electronic, computerized or telematic means. Measures shall be taken to guarantee the safe transmission of data and documents.

ARTICLE 7
STATISTICS

The liaison agencies of both Parties shall exchange, in the form agreed upon, statistical data concerning the payments made to beneficiaries during each calendar year under Part III of the Agreement. Such data shall include the number of beneficiaries and the total amount of benefits, by benefit category.

ARTICLE 8
COMING INTO FORCE AND TERM

The Administrative Arrangement shall come into force on the same date as the Agreement and they shall both have the same term.

Done at Brasilia on 26 October 2011, in two copies, in French and in Portuguese, both texts being equally authentic.

FOR THE COMPETENT AUTHORITY OF QUÉBEC
MONIQUE GAGNON-TREMBLAY
Minister of International Relations and Minister responsible for La Francophonie

FOR THE COMPETENT AUTHORITY OF THE FEDERATIVE REPUBLIC OF BRAZIL
GARIBALDI ALVES FILHO
Federal Minister of Social Welfare

102557

Gouvernement du Québec

O.C. 301-2016, 13 April 2016

An Act respecting financial assistance for education expenses
(chapter A-13.3)

Financial assistance for education expenses — Amendment

Regulation to amend the Regulation respecting financial assistance for education expenses

WHEREAS, under section 57 of the Act respecting financial assistance for education expenses (chapter A-13.3), the Government may, on the recommendation of the Minister and after consultation with the Minister of Education, Recreation and Sports for matters related to a level of education under the latter's jurisdiction, and for each financial assistance program, make regulations for the purposes of the Act;

WHEREAS the Government made the Regulation respecting financial assistance for education expenses (chapter A-13.3, r. 1);

WHEREAS it is expedient to amend the Regulation;

WHEREAS, in accordance with sections 10 and 11 of the Regulations Act (chapter R-18.1), a draft of the Regulation to amend the Regulation respecting financial assistance for education expenses was published in Part 2 of the *Gazette officielle du Québec* of 27 January 2016 with a notice that it could be made by the Government on the expiry of 45 days following that publication;

WHEREAS, under section 90 of the Act respecting the Ministère de l'Enseignement supérieur, de la Recherche, de la Science et de la Technologie (chapter M-15.1.0.1), any draft regulation respecting the financial assistance programs established by the Act respecting financial assistance for education expenses must be submitted to the advisory committee on the financial accessibility of education for its advice;

WHEREAS the required consultations were held and the advisory committee on the financial accessibility of education gave its advice;

WHEREAS it is expedient to make the Regulation with amendments;

IT IS ORDERED, therefore, on the recommendation of the Minister responsible for Higher Education:

THAT the Regulation to amend the Regulation respecting financial assistance for education expenses, attached to this Order in Council, be made.

JUAN ROBERTO IGLESIAS,
Clerk of the Conseil exécutif

Regulation to amend the Regulation respecting financial assistance for education expenses

An Act respecting financial assistance for education expenses
(chapter A-13.3, s. 57)

1. The Regulation respecting financial assistance for education expenses (chapter A-13.3, r. 1) is amended in section 2 by replacing "$1,122" in the second paragraph by "$1,134".

2. Section 9 is amended by replacing "$1,110" in subparagraph 2 of the second paragraph by "$1,134".

3. Section 17 is amended

(1) by replacing "$2,987" in paragraph 1 by "$3,020";

(2) by replacing "$2,535" in paragraph 2 by "$2,563".

4. Section 18 is amended by replacing "$2,535" by "$2,563".

5. Section 26 is amended by replacing "$186" in the second paragraph by "$188".

6. Section 29 is amended by replacing the amounts in subparagraphs 1 to 6 of the fourth paragraph by the following amounts:

(1) "$188";

(2) "$188";

(3) "$212";

(4) "$406";

(5) "$464";

(6) "$212".

7. Section 32 is amended

(1) by replacing "$388" and "$828" in the first paragraph by "$392" and "$837", respectively;

(2) by replacing "$173", "$215", "$613" and "$215" in the second paragraph by "$175", "$217", "$620" and "$217", respectively.

8. Section 33 is amended

(1) by replacing "$67" in the first paragraph by "$68";

(2) by replacing "$187" in the second paragraph by "$189".

9. Section 34 is amended by replacing "$274" and "$1,273" in the first paragraph by "$277" and "$1,287", respectively.

10. Section 35 is amended by replacing "$94" in the second paragraph by "$95".

11. Section 37 is amended by replacing "$249" in the fifth paragraph by "$252".

12. Section 40 is amended by replacing "$72" and "$572" in the first paragraph by "$73" and "$584", respectively.

13. Section 41 is amended by replacing "$185" by "$187".

14. Section 50 is amended

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

(1) "$14,611";

(2) "$14,611";

(3) "$17,598";

(2) by replacing the amounts in subparagraphs 1 to 3 of the third paragraph by the following amounts:

(1) "$3,937";

(2) "$4,983";

(3) "$6,034".

15. Section 51 is amended

(1) by replacing the amounts in subparagraphs 1 to 5 of the first paragraph by the following amounts:

(1) "$204";

(2) "$224";

(3) "$311";

(4) "$413";

(5) "$413";

(2) by replacing "$318" in the third paragraph by "$321".

16. Section 52 is amended by replacing "$960" by "$970".

17. Section 74 is amended by replacing "$249" and "$124" in the second paragraph by "$252" and "$125", respectively.

18. Section 82 is amended by replacing "$2,987" and "$2,237" in the third paragraph by "$3,020" and "$2,261", respectively.

19. Section 86 is amended

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

(1) "$2.23";

(2) "$3.34";

(3) "$116.66";

(2) by replacing "$11.06" in the second paragraph by "$11.18".

20. Section 87 is amended

(1) by replacing "An amount of$490 per child" in the part preceding paragraph 1 by "An amount for each child";

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

"Child-care expense correspond to the amount obtained by multiplying the contribution set in a regulation made pursuant to section 82 of the Educational Childcare Act (chapter S-4.1.1) by 70.".

21. Section 87.1 is amended by replacing "$378" by "$382".

22. This Regulation applies as of the 2016-2017 year of allocation.

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

102559

Draft Regulations

Draft Regulation

Environment Quality Act
(chapter Q-2)

Waste water disposal systems for isolated dwellings — Amendment

Notice is hereby given, in accordance with sections 10 and 11 of the Regulations Act (chapter R-18.1) and section 124 of the Environment Quality Act (chapter Q-2), that the Regulation to amend the Regulation respecting waste water disposal systems for isolated dwellings, appearing below, may be made by the Government on the expiry of 60 days following this publication.

The draft Regulation renews the standard for the siting of non-watertight waste water disposal systems in relation to groundwater withdrawal facilities that were sealed under the former Groundwater Catchment Regulation (chapter Q-2, r. 6).

It also introduces alternative solutions for owners of buildings or sites referred to in the Regulation respecting waste water disposal systems for isolated dwellings (chapter Q-2, r. 22) already built or developed who are forced to install a tertiary treatment system with phosphorous removal or a tertiary treatment system with phosphorous removal and disinfection. The alternative solutions are

— the installation of a total haulage retention tank;

— the installation of a compost toilet combined with a retention tank;

— the possibility, for the same system, of serving two buildings.

The draft Regulation also allows the effluent of watertight disposal systems serving buildings or sites referred to in that Regulation to be carried to municipal waste water treatment works governed by the Regulation respecting municipal wastewater treatment works (chapter Q-2, r. 34.1).

The draft Regulation would allow every owner of a building or a site referred to in the Regulation respecting waste water disposal systems for isolated dwellings to install a compost toilet, subject to certain conditions, including the condition relating to the use of a toilet model complying with NSF/ANSI Standard 41. Such a condition would also apply, within 2 years, to a compost toilet installed as part of a biological system and to a compost toilet combined with a seepage pit.

It would also allow, subject to certain conditions, a system for the discharge, collection or disposal of waste water serving an isolated dwelling to receive waste water, grey water or toilet effluents from an accessory building situated on the same immovable.

The draft Regulation requires that retention tanks be equipped with a system for verifying their fill level, thereby indicating to the owner when to empty the tank.

Lastly, the draft Regulation makes some technical adjustments made necessary for a better application of the Regulation respecting waste water disposal systems for isolated dwellings, regarding in particular the following matters:

— clarifications respecting the application of the Regulation, prohibitions and situations requiring that a permit be obtained beforehand;

— addition of a rule for calculating the total daily flow of waste water from a building or site covered by the Regulation;

— relaxation of the terms for preparing the information and documents required for the purposes of section 4.1 of the Regulation;

— amendment to a construction standard pertaining to soil absorption fields and seepage beds;

— amendment to a construction standard pertaining to above-ground sand-filter beds;

— amendment to the requirements relating to the installation of a prefabricated retention tank;

— clarification respecting the watertightness of joints around access ducts of septic tanks and retention tanks;

— amendments to the standards for the siting of a septic tank receiving grey water installed as part of a hauled sewage system or a biological system;

— amendment to a requirement relating to the leaching field consisting of absorption trenches;

— amendment to a requirement relating to the leaching field consisting of an absorption bed;

— amendment to requirements relating to standard sand-filter beds built above a leaching field;

— amendment to the figure in Schedule 1.

The draft Regulation will have little negative impact on enterprises, including small and medium-sized businesses.

Further information on the draft Regulation may be obtained by contacting Linda Picard, Direction des eaux usées, Ministère du Développement durable, de l'Environnement et de la Lutte contre les changements climatiques, édifice Marie-Guyart, 8e étage, boîte 42, 675, boulevard René-Lévesque Est, Québec (Québec) G1R 5V7; telephone: 418 521-3885, extension 4842; fax: 418 644-2003; email: linda.picard@mddelcc.gouv.qc.ca

Any person wishing to comment on the draft Regulation is requested to submit written comments within the 60-day period to Nancy Bernier, Director, Direction des eaux usées, Ministère du Développement durable, de l'Environnement et de la Lutte contre les changements climatiques, édifice Marie-Guyart, 8e étage, boîte 42, 675, boulevard René-Lévesque Est, Québec (Québec) G1R 5V7; telephone: 418 521-3885, extension 4634; fax: 418 644-2003; email: nancy.bernier@mddelcc.gouv.qc.ca

DAVID HEURTEL,
Minister of Sustainable Development, the Environment and the Fight Against Climate Change

Regulation to amend the Regulation respecting waste water disposal systems for isolated dwellings

Environment Quality Act
(chapter Q-2, s. 31, 1st par., subpars. *c*, *e* and *m*, s. 46, pars. *d*, *g* and *l*, s. 87, pars. *c* and *d*, and s. 115.34)

1. The Regulation respecting waste water disposal systems for isolated dwellings (chapter Q-2, r. 22) is amended in section 1

(1) by striking out "which is not connected to a sewer system authorized under section 32 of the Act; any other building discharging waste water only and whose total daily flow is no more than 3,240 litres is considered to be an isolated dwelling" in paragraph *u*;

(2) by striking out paragraph *y*.

2. Section 1.3 is replaced by the following:

"**1.3. Hydraulic capacity:** For the purposes of sections 11.1, 16.2 and 87.8, the hydraulic capacity of an individual waste water disposal system complying with NQ Standard 3680-910 must be equal to or greater than,

(a) in the case of an isolated dwelling, the following hydraulic capacities established according to the number of bedrooms of the dwelling concerned:

Number of bedrooms	Hydraulic capacity (litres)
1	540
2	1,080
3	1,260
4	1,440
5	1,800
6	2,160

(b) in other cases, the total daily flow of discharged waste water.

The same applies for the purposes of section 87.14, except in respect of the hydraulic capacity of an individual waste water disposal system of an isolated dwelling included in a group referred to in subparagraph *b* of the first paragraph of section 3.01, which must be equal to or greater than the following hydraulic capacities, established according to the number of bedrooms in the group concerned:

Number of bedrooms in the group	Hydraulic capacity (litres)
2	1,080
3	1,800
4	2,160
5 and 6	3,240

".

3. The following is inserted after section 1.3:

"**1.4. Total daily flow:** The total daily flow of waste water from a building or site other than an isolated dwelling referred to in section 2 corresponds to the sum of the flows produced by each service offered. The flows for each service are calculated by multiplying the unit flow provided for in Schedule 1.1, which varies according to the type of services offered, by the corresponding number of units, which is set by considering the maximum operating or utilization capacity of the building or site concerned.

In the case of a service not included in Schedule 1.1, the total daily flow must be established on the basis of the unit flow of a comparable service.

For the purposes of sections 1.3, 2, 15, 18, 22, 28, 33, 38, 44, 87.23 and 87.25, the total daily flow of waste water from a building or site other than an isolated dwelling referred to in section 2 takes into account the toilet effluents that could be discharged by the building or site even if the building or site is equipped with a privy or a compost toilet.".

4. Section 2 is replaced by the following:

"**2. Application:** This Regulation applies to the disposal of waste water, grey water and toilet effluents from the following buildings or site if they are not connected to a sewer system authorized by the Minister under the Act or if the watertight treatment system of the buildings or site is connected to municipal waste water treatment works referred to in section 1 of the Regulation respecting municipal wastewater treatment works (chapter Q-2, r. 34.1):

(a) an isolated dwelling;

(b) a building other than the building referred to in subparagraph *a* that discharges only waste water, grey water or toilet effluents whose total daily flow is not more than 3,240 litres;

(c) camping and caravan grounds where waste water, grey water or toilet effluents are discharged and whose total daily flow is not more than 3,240 litres.

It applies particularly to the systems for the discharge, collection or disposal of waste water, grey water or toilet effluents from those buildings or that site.

It also applies to the development and use of a privy and a compost toilet, and to the management of the compost from the compost toilet where such a toilet serves a building or site referred to in the first paragraph or serves a building or site that is not supplied with water, to the extent that the building or site would discharge a total daily flow of waste water of not more than 3,240 litres per day if it were supplied with water.

The standards of this Regulation concerning the operation of a system for the discharge, collection or disposal of waste water, grey water or toilet effluents from the buildings or site referred to in the first paragraph, particularly those related to the emptying or maintenance of such systems, apply to all those buildings or that site, including those developed before 12 August 1981.

The same applies to the standards relating to the installation of such systems where the waste water, grey water and toilet effluents from the buildings or site referred to in the first paragraph constitute a nuisance, a source of contamination of well or spring water used for drinking water or a source of contamination of surface water.

2.1. Exemptions: Except for section 52.1, this Regulation does not apply to a seasonal camp referred to in subparagraph *b* of the first paragraph of section 18 of the Act respecting hunting and fishing rights in the James Bay and New Québec territories (chapter D-13.1).

It also does not apply to a temporary industrial camp covered by the Regulation respecting the application of section 32 of the Environment Quality Act (chapter Q-2, r. 2).

2.2. Reassessment of the application: The construction of an additional bedroom in an isolated dwelling, the change of use of a building or the increase of the operating or utilization capacity of another building or site referred to in section 2 results in the reassessment of the standards applicable to the system for the discharge, collection or disposal of water from the isolated dwelling, the building or the site concerned.".

5. Section 3 is replaced by the following:

"**3. Prohibitions:** No person may discharge into the environment waste water, grey water or toilet effluents from a building or site referred to in section 2, unless the water or effluents are treated or discharged according to any of Divisions III to XV.5 or section 90.1, or treated by a treatment system authorized under the Act.

No person may install, to serve a building or site referred to in section 2, a privy, a compost toilet or a system for the discharge, collection or disposal of waste water, grey water or toilet effluents that does not comply with the standards prescribed by this Regulation, unless the privy, toilet or system has been authorized by the Minister under the Act.

No person may build or develop a building or site referred to in section 2, build an additional bedroom in an isolated dwelling already built, increase the operating or utilization capacity of a building or site already built or developed, or change the use of a building or site already built or developed if the dwelling, building or site concerned is not equipped with a system for the discharge, collection or disposal of waste water, grey water or toilet effluents complying with this Regulation.

During the reconstruction of a building referred to in section 2 or the redevelopment of a site referred to in that section following a fire or other disaster, the building or site may be connected to the system for the discharge, collection or disposal of waste water, grey water or toilet effluents that served the damaged building or site if the following conditions are met:

(a) the rebuilt isolated dwelling may not contain more bedrooms than the number of bedrooms included in the damaged dwelling;

(b) the operating or utilization capacity of the rebuilt building or redeveloped site may not be greater than the capacity of the damaged building or site;

(c) the municipal by-laws allow such reconstruction or redevelopment;

(d) the system already installed was not prohibited by an Act or regulation in force at the time of its installation.".

6. The following is inserted after section 3:

"**3.01. Group of buildings:** A system for the discharge, collection or disposal of waste water, grey water and toilet effluents referred to in this Regulation must serve only one building or only one site referred to in section 2, except in the following cases:

(a) the system serves a group of buildings situated on the same immovable, consisting of an isolated dwelling and a building other than an isolated dwelling, to the extent that the total daily flow from the group is not more than 3,240 litres;

(b) the system serves a group of buildings consisting of

i. two isolated dwellings already built, to the extent that the number of bedrooms for the group is equal to or fewer than 6;

ii. one isolated dwelling and one building other than an isolated dwelling already built, to the extent that the total daily flow for the group is not more than 3,240 litres, considering a daily unit flow of 540 litres per bedroom;

iii. two buildings other than an isolated dwelling already built, to the extent that the total daily flow for the group is not more than 3,240 litres.

A group referred to in subparagraph *b* is possible only where the conditions of the site and natural land require the installation of a tertiary treatment system with phosphorous removal or a tertiary treatment system with phosphorous removal and disinfection.

3.02. Group of buildings: Where a group referred to in subparagraph *a* of the first paragraph of section 3.01 is allowed under this Regulation, the building must

(a) only be used for domestic purposes;

(b) discharge only waste water, grey water or toilet effluents; and

(c) not include dwellings or bedrooms.

3.03. Group of buildings: Where a group referred to in subparagraph *b* of the first paragraph of section 3.01 involves different owners for each building concerned, an agreement establishing the ownership of the system and the terms for its installation, use, maintenance, repair, replacement and follow-up measures to be implemented must be entered into by the owners concerned before the installation of the system.

In addition, each building of such a group must be equipped with a septic tank complying with Division V if the buildings are situated on different immovables and if the tertiary system concerned treats the effluents from a septic tank.

3.04. Group of buildings: A group of buildings consisting of 2 isolated dwellings must be considered to be an isolated dwelling for the purposes of this Regulation.

Any other group of buildings must be considered to be a building or site other than an isolated dwelling for the purposes of this Regulation. A group referred to in subparagraph *a* of the first paragraph of section 3.01 that includes at least one isolated dwelling is not covered by the third paragraph of section 4.1.".

7. Section 4 is amended

(1) by replacing the first and second paragraphs by the following:

"**4. Permit:** Every person intending to build a building referred to in section 2 or to develop a site referred to in that section must, before starting the work required for that purpose, obtain a permit from the local municipality having jurisdiction over the territory concerned by such a construction or development.

Such a permit is also required prior to

(a) the construction of an additional bedroom in an isolated dwelling or the change of its use;

(b) the increase of the operating or utilization capacity of a building or a site other than an isolated dwelling referred to in section 2 or the change of its use; and

(c) the construction, renovation, modification, reconstruction, moving or enlargement of a system for the discharge, collection or disposal of waste water, grey water or toilet effluents serving a building or a site referred to in section 2.

Such a permit is not required for

(a) the reconstruction of a building referred to in section 2 or the redevelopment of a site referred to in that section following a fire or other disaster, to the extent provided for in the fourth paragraph of section 3;

(b) the installation of a compost toilet; and

(c) the construction of a privy.";

(2) by replacing "the isolated dwelling concerned to be equipped" in the fourth paragraph by "the building or site referred to in section 2 to be equipped";

(3) by replacing "an isolated dwelling" in the fifth paragraph by "a building or site referred to in section 2".

8. Section 4.1 is amended

(1) by replacing "an isolated dwelling" in the portion preceding subparagraph 1 of the first paragraph by "a building or site referred to in section 2";

(2) by replacing "in the case of another building, the total daily flow" in subparagraph 3 of the first paragraph by "in other cases, the total daily flow of discharged water";

(3) by adding the following at the end of the first paragraph:

"(6) a copy of the agreement provided for in the first paragraph of section 3.03 where the application pertains to a system serving a group of buildings that involve different owners.";

(4) by replacing "building other than an isolated dwelling" in the third paragraph by "building or site other than an isolated dwelling or a hunting or fishing camp";

(5) by striking out "prepared and" in the third paragraph;

(6) by adding ", or to a watertight disposal system referred to in this Regulation connected to municipal waste water treatment works" at the end of the fourth paragraph.

9. Section 7 is amended

(1) by inserting "or municipal waste water treatment works" after "XV.3" in subparagraph 2 of the first paragraph;

(2) by adding "; where the secondary treatment system is watertight, it may also be carried towards municipal waste water works" at the end of subparagraph 3 of the first paragraph;

(3) by adding "; in the case of the advanced secondary treatment system, it may also, where the system is watertight, be carried towards municipal waste water works" at the end of subparagraph 4 of the first paragraph.

10. Section 7.2 is amended by replacing the first line in the table in subparagraph d of the first paragraph by the following:

"

Category 3 groundwater withdrawal facility referred to in section 51 of the Water Withdrawal and Protection Regulation (chapter Q-2, r. 35.2) and uncategorized groundwater withdrawal facility sealed in accordance with subparagraphs 1 to 3 of the first paragraph of section 19 of that Regulation where sealing took place between 15 June 2003 and 2 March 2015 or sealed in accordance with section 19 of that Regulation in other cases.	15*

".

11. Section 10 is amended

(1) by inserting "watertight" before "lids" in paragraph *l*;

(2) by striking out "equipped with watertight lids" in paragraph *m*;

(3) by inserting the following after paragraph *m*:

"(*m*.1) the ducts giving access to the manholes must

i. be firmly attached to the tank using permanent watertight joints; and

ii. be equipped with watertight, safe lids the installation and lay out of which allow to deflect run-off water and prevent water infiltration inside;".

12. Section 11 is amended by replacing "paragraphs m and o" by "paragraphs *l*, *m*, *m*.1 and *o*".

13. Section 14 is amended by replacing "of the isolated dwelling served" by "of the building served".

14. Section 15 is amended by replacing the second paragraph by the following:

"In other cases, the minimum total capacity of a septic tank referred to in section 10 or 11 must comply with the standards in the following table, according to the total daily flow of waste water, grey water or toilet effluents discharged:".

15. Section 18 is amended

(1) by replacing "The available area of the disposal site of the soil absorption field that serves another building" in the portion preceding the table in the second paragraph by "In other cases, the available area of the disposal site of the soil absorption field";

(2) by replacing in the French text the heading of the first column of the table of the second paragraph by the following:

"**Débit total quotidien (en litres)**".

16. Section 21 is amended by replacing "the bottom of the trench" in subparagraph i of the first paragraph by "the absorption trenches must be completely buried in the soil of the disposal site and the bottom of the trenches".

17. Section 22 is amended by replacing "The total length of the absorption trenches of a soil absorption field that serves another building" in the portion preceding the table in the second paragraph by "In other cases, the total length of the absorption trenches of a soil absorption field".

18. Section 27 is amended by replacing "the bottom of the seepage bed" in subparagraph *b* of the first paragraph by "the seepage bed must be completely buried in the soil of the disposal site and the bottom of the seepage bed".

19. Section 28 is amended by replacing "The available area of the disposal site of a seepage bed that serves another building" in the portion preceding the table in the second paragraph by "In other cases, the available area of the disposal site of a seepage bed".

20. Section 33 is amended by replacing "The total absorption area of seepage pits that serve another building" in the portion preceding the table in the second paragraph by "In other cases, the total absorption area of seepage pits".

21. Section 37 is amended by replacing ", impermeable soil or low permeability soil" in subparagraph i of the first paragraph by "or the layer of impermeable soil".

22. Section 38 is amended by replacing "The area of the sand-filter bed of an above-ground soil absorption system for another building" in the portion preceding the table in the second paragraph by "In other cases, the area of the sand-filter bed of an above-ground sand-filter bed".

23. Section 44 is amended by replacing "The minimum area of the sand-filter bed of a standard sand-filter bed for another building" in the portion preceding the table in the second paragraph by "In other cases, the minimum area of the sand-filter bed of a standard sand-filter bed".

24. Section 51 is amended

(1) by replacing "**Isolated dwelling with a pressurized water system:**" in the first paragraph by "**Building or site supplied by a pressurized water pipe:**";

(2) by inserting "or site referred to in section 2" after "building" in the portion preceding the table in the second paragraph.

25. Section 52 is amended by replacing "**Isolated dwelling without a pressurized water system:**" by "**Building or site supplied by a non-pressurized water pipe:**".

26. The following is inserted after section 52:

"**52.1.** A building that is part of a seasonal camp referred to in subparagraph *b* of the first paragraph of section 18 of the Act respecting hunting and fishing rights in the James Bay and New Québec territories (chapter D-13.1) must be equipped with a privy placed at least 10 m from the building and from any watercourse or body of water, in a place that is not higher than the building.

The privy must comply with the standards prescribed by sections 47 to 49 or sections 73 and 74.

DIVISION XI.1
COMPOST TOILETS

52.2. Disposal site: Construction of a compost toilet is permitted provided the following conditions are met:

(a) the model of toilet to be installed complies with NSF/ANSI Standard 41, which takes into account the type of building or site, its purpose and the rate of daily use of the toilet;

(b) the toilet is vented independently from the vent pipe of the building served;

(c) the toilet is installed, used and maintained in accordance with the manufacturer's manuals;

(d) the toilet works without water or effluent.

52.3. Waste water, grey water and toilet effluents management: Where such a toilet is installed, the waste water, grey water and toilet effluents discharged by a building or site referred to in section 2 must be carried towards a system for the discharge, collection or disposal of waste water in accordance with section 7.

52.4. Compost management: Section 6 applies to the compost from a compost toilet.".

27. Section 53 is replaced by the following:

"**53. Installation conditions:** A hauled sewage system may be built only in either of the following cases to serve a hunting or fishing camp, a building referred to in section 2 already built or rebuilt following a disaster, or a site referred to in section 2 developed or redeveloped after a disaster:

(a) a soil absorption system complying with any of Divisions VI to IX or a system complying with Divisions X and XV.2 to XV.5 may not be built;

(b) only the installation of a tertiary treatment system with phosphorous removal or a tertiary treatment system with phosphorous removal and disinfection referred to in Division XV.3 is possible because of the conditions of the site and natural land.

For the purposes of subparagraph *b* of the first paragraph, only a total haulage holding tank may be built. Its construction is possible only where the municipality concerned applies a three-year program for the inspection of tanks situated in its territory and installed in such a situation to verify watertightness.".

28. The following is inserted after section 54:

"**54.1. Construction standards:** A hauled sewage system may only be built if the toilets of a building, site or hunting and fishing camp referred to in section 53 are chemical or low-flush toilets.".

29. Section 56 is amended

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

"*(b)* the manhole must comply with paragraphs *l* and *m* of section 10 and the duct of the manhole must comply with paragraph *m*.1 of the same section;";

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

"*(c)* the holding tank must be connected to a system allowing the verification of the fill level of the tank, which must comply with the following characteristics:

i. the system must include level floats connected to a sound alarm and a visual marker;

ii. the system must be capable of being operated where the volume of accumulated water reaches 75% of the effective capacity of the tank;

iii. the system must be installed so as not to compromise the integrity and watertightness of the tank and to ensure at all times access to the level floats from the surface;

iv. the system must be equipped with a test button and a reset button;

v. level floats must be installed so as not to damage them when emptying the tank and must be maintained at all times in good working order;

vi. the sound alarm must be audible from the inside of the dwelling, must be capable of being deactivated independently from the visual marker and must be maintained at all times in good working order;

vii. the visual marker must be visible to the user when it is activated and must remain so until the tank is emptied.";

(3) by adding "and with paragraphs *a*, *b* and *c* of section 7.1, paragraph *o* of section 10 and subparagraphs *b* and *c* of the first paragraph" at the end of the second paragraph.

30. Section 57 is amended by replacing "The minimum capacity of a holding tank for another building" in the portion preceding the table in the second paragraph by "In other cases, the minimum capacity of a holding tank".

31. Section 59 is amended by inserting "waste water, grey water or" before "toilet effluents".

32. Section 60 is amended by replacing "its siting must comply with the minimum standards set out in the first paragraph of section 63, with the necessary modifications" by "it must be placed at least 1.5 metres from any property line, a dwelling and a drinking water pipe".

33. Section 61 is amended by replacing "subparagraph *a* of the first paragraph of section 27 and subparagraphs *b* and c of the first paragraph of section 37" in the portion preceding subparagraph *a* of the first paragraph by "subparagraphs *a* and *c* of the first paragraph of section 27 and subparagraph *b* of the first paragraph of section 37".

34. Section 62 is amended by replacing "The available area of the disposal site of the absorption field for another building" in the portion preceding the table in the second paragraph by "In other cases, the available area of the disposal site of the absorption field".

35. Section 66 is amended

(1) by striking out "because of the standards of sections 55 and 62";

(2) by replacing "sections 54 and 60 to 64" by "section 54".

36. Section 67 is replaced by the following:

"**67. Installation conditions:** A biological system may be built to serve

(a) a hunting or fishing camp;

(b) a building referred to in section 2 already built or rebuilt following a disaster or a site referred to in section 2 already developed or redeveloped following a disaster in either of the following cases:

i. a soil absorption system complying with any of Divisions VI to IX or a system complying with Divisions X and XV.2 to XV.5 may not be built;

ii. only the installation of a tertiary treatment system with phosphorous removal or a tertiary treatment system with phosphorous removal and disinfection referred to in Division XV.3 is possible because of the conditions of the site and natural land.

For the purposes of subparagraph ii of subparagraph *b* of the first paragraph, only a compost toilet and a hauled sewage system may be built. Their construction is possible only where the municipality concerned applies a three-year program for the inspection of tanks situated in its territory and installed in such a situation to verify watertightness.".

37. Section 69 is replaced by the following:

"**69. Other standards:** Sections 52.2 and 52.4 relating to a compost toilet apply, with the necessary modifications, to a biological system.

The same applies to sections 60 to 65 relating to a septic tank and an absorption field.".

38. Section 70 is amended

(1) by striking out "because of sections 55 and 62";

(2) by replacing "sections 68 and 69" by "section 68".

39. Sections 71 and 72 are revoked.

40. Section 73 is amended

(1) by replacing "an existing isolated dwelling" in paragraph *b* by "a building or site referred to in section 2 already built or developed";

(2) by replacing "the isolated dwelling served" in subparagraph ii of paragraph *b* by "the building or site served".

41. Section 74 is amended by replacing "71 and 72" in the second paragraph by "52.2 and 52.4".

42. Section 87.22 is amended by replacing "in section 25" in subparagraphs *a* and *b* of the first paragraph by "in sections 24 and 25".

43. Section 87.23 is amended by replacing "The minimum total length of absorption trenches for another building" in the portion preceding the table in the second paragraph by "In other cases, the minimum total length of absorption trenches".

44. Section 87.24 is amended

(1) by replacing "in section 25" in subparagraph *a* and "section 25" in subparagraph *b* of the first paragraph by "in sections 24 and 25" and "sections 24 and 25", respectively;

(2) by inserting the following paragraph after the second paragraph:

"The condition provided for in section 40 and the standard provided for in subparagraph *k* of the first paragraph of section 41 do not apply to the standard sand-filter bed where the absorption bed is situated immediately under such a filter.".

45. Section 87.25 is amended by replacing "The total seepage area of a leaching field consisting of a seepage bed for another building" in the portion preceding the table in the second paragraph by "In other cases, the total seepage area of a leaching field consisting of a seepage bed".

46. Section 87.25.1 is amended by adding the following paragraph at the end:

"The condition provided for in section 40 and the standard provided for in subparagraph *k* of the first paragraph of section 41 do not apply to the standard sand-filter bed where the absorption bed is situated under such a filter.".

47. Section 89 is amended

(1) by inserting "3.03," after "1.3," in the first paragraph;

(2) by inserting "52.1, 52.2," after "52," in the first paragraph;

(3) by replacing "53, or 55, the first paragraph of section 56, section" in the first paragraph by "53, 54.1, 55,";

(4) by inserting "62," before "63" in the first paragraph

(5) by striking out "71," in the first paragraph;

(6) by replacing "paragraphs *m* and *o*" in the second paragraph by "paragraphs *l*, *m*, *m*.1 and *o*".

48. Section 89.1 is amended by inserting "52.3," before "65".

49. Section 89.2 is amended by replacing "or second paragraph of section 4" by ", second or third paragraph of section 4".

50. Section 89.3 is amended by replacing "the second paragraph of section 56" in the first paragraph by "section 56".

51. Section 89.4 is amended by replacing "the first paragraph of section 3, section 11.4" in paragraph 1 by "section 3, 3.01, 3.02, 11.4".

52. Section 90 is amended by replacing "or other building mentioned in sections 2, 3 and 4" by ", a building or a site referred to in section 2".

53. Section 90.1 is amended

(1) by inserting ", a building or a site other than an isolated dwelling referred to in section 2" after "isolated dwelling" in the second paragraph;

(2) by inserting ", buildings and sites already built or developed" after "and dwellings" in subparagraph 2 of the third paragraph;

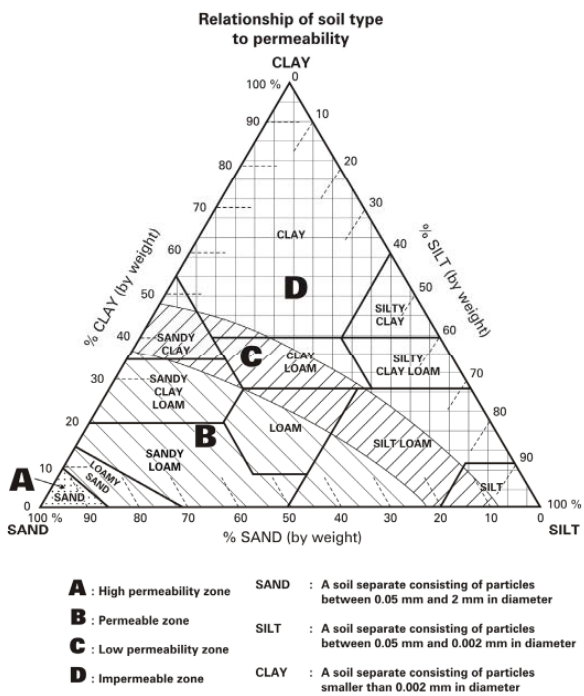
(3) by replacing "residence" in subparagraph 6 of the third paragraph by "dwelling, building or site";

(4) by replacing "residence" in subparagraph 7 of the third paragraph by "dwelling, building or site".

54. Section 95 is amended by replacing "or other building" in the first paragraph by ", a building or a site".

55. Schedule 1 is replaced by the following:

"**SCHEDULE 1**
(s. 1, pars. *u*.1 to *u*.4)



56. The following is inserted after Schedule 1:

"**SCHEDULE 1.1**
(s. 1.4)

Waste water unit flow according to the types of services offered in buildings or on sites other than isolated dwellings

Services offered in a building or on a site other than an isolated dwelling	Unit of measurement	Flow in litres per dau
Airport		
- passengers	passenger	15
and		
- employees per 8-hour shift	employee	40
Arena	seat	15
Bar		
- autonomous establishment with a minimum of food	seat	125
or		
- part of a hotel or motel	seat	75
or		
- based on the clientele	client	10
and		
- based on the number of employees	employee	50
Public house or "pub"	seat	130
Laundry facility		
- public washing machine	load or machine	190 2000
or		
- washing machine in an apartment building	machine or client	1200 190
Sugar bush[*]		
- with meals	seat	130
- without meals	person	60
Various camps		
- construction camp with flush toilets (including showers)[†]	person	200
- youth camp	person	200
- day camp without meals	person	50
- day and overnight camp	person	150
- summer camp with showers, toilets, sinks and kitchen	person	150
- seasonal employees camp – central service centre	person	225
- primitive camp	person	40
- resort area, climate station, winter resort, based on the clientele	person	400
and		
- based on the number of non-resident employees	employee	50
Camping		
- without sewer system	site	190
- with sewer system	site	340
Visitors reception centre	visitor	20

[*] The building must not include process water for the manufacturing of maple products.
[†] The building must produce only waste water within the meaning of the Regulation.

Shopping mall		
- retail store with toilets only	square metre of store surface	5
or		
- retail store based on the number of parking spaces	parking space	6
and		
- based on the number of employees	or employee	40
Cinema		
- indoor cinema	seat	15
- auditorium or theatre without food	seat	20
- outdoor cinema without food	parking space	20
- outdoor cinema with food	parking space	40
School		
- day school without showers or cafeteria, per student	student	30
o with showers	student	60
o with showers and cafeteria	student	90
and		
o non-teaching staff	person	50
- school with boarders		
o resident	resident	300
and		
o non-resident employee	person	50
Church	seat	10
Places of employment□		
- employees in a factory or manufacture, per day or per shift including showers, excluding industrial use	person	125
- employees in a factory or manufacture, per day or per shift, without showers, excluding industrial use	person	75
- various buildings or places of employment, store and office staff on the basis of facilities	person	50-75
Health institution		
- convalescent and rest homes	bed	450
- other institution	person	400
Gas station§		
- gas pump	pair of pumps	1900
or		
- based on the number of vehicles served	vehicle	40
and		
- based on the number of employees	employee	50

□ Service building intended for employees and producing only waste water within the meaning of the Regulation.

§ The gas station must not include an automobile repair shop. It must produce waste water as defined by the Regulation.

Day care		
– including employees and children	person	75
Hotel and motel		
residential part:		
– with all the commodities including the kitchen	person	225
or		
– with private bathroom	person	180
or		
– with central bathroom	person	150
non-residential part:		
– see category of establishment concerned (restaurant, bar, etc.)		
Park for picnicking, beach, public pool		
– park, park for picknicking with service centre, showers and flush toilets	person	50
– park, park for picknicking with flush toilets only	person	20
– public pool and beach with toilets and showers	person	40
Restaurant and dining room		
– regular restaurant (not 24 hours)	seat	125
– restaurant open 24 hours	seat	200
– highway restaurant open 24 hours	seat	375
– highway restaurant open 24 hours with showers	seat	400
– if presence of mechanical dishwasher or garbage grinder, add		
○ regular restaurant	seat	12
○ restaurant open 24 hours	seat	24
– cafeteria, based on the clientele	client	10
and		
based on the number of employees	employee	40
– café, based on the clientele	client	20
and		
based on the number of employees	employee	40
– banquet hall (each banquet)	seat	30
– restaurant with car service	seat	125
– restaurant with car service – disposable items	parking	60
– restaurant with car service – disposable items	indoor seat	60
– tavern, bar, lounge with a minimum of food	seat	125
– bar restaurant with show	seat	175

Meeting hall	seat or person	20 15
Dance and meeting hall		
– with toilets only	person or square metre	8 15
– with restaurant	seat	125
– with bar	seat	20
– with restaurant and bar	client	150
Bowling alley		
– without bar or restaurant	lane	400
– with bar or restaurant	lane	800

"

Transitional and final

57. Despite section 52.2, the standards relating to a compost toilet applicable to a biological system under section 69 do not apply before 2 years following their coming into force. The standards referred to in section 71, revoked by section 39 of this Regulation, remain applicable during that period.

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

102554

Draft Regulation

An Act respecting industrial accidents and occupational diseases
(chapter A-3.001)

Medical aid
— Amendment

Notice is hereby given, in accordance with sections 10 and 11 of the Regulations Act (chapter R-18.1), that the draft Regulation to amend the Regulation respecting medical aid, appearing below, may be made by the Commission des normes, de l'équité, de la santé et de la sécurité du travail and submitted to the Government for approval, in accordance with the first paragraph of section 455 of the Act respecting industrial accidents and occupational diseases (chapter A-3.001), on the expiry of 45 days following this publication.

The draft Regulation proposes to allow holders of a psychotherapist's permit issued by the Ordre professionnel des psychologues du Québec to offer psychotherapy services when prescribed by the worker's physician, given the rigorous framework for the practice of psychotherapy within the professional system, introduced by the Act to amend the Professional Code and other legislative provisions in the field of mental health and human relations (2009, chapter 28).

The Regulation has no significant impact on enterprises, including small and medium-sized businesses, considering that disbursements for psychological care only represent a small portion of the total registered disbursements for medical aid expenses for 2015, that is, 3.6%.

Further information may be obtained by contacting Josée Tremblay, Commission des normes, de l'équité, de la santé et de la sécurité du travail, 1199, rue De Bleury, Montréal (Québec) H3B 3J1; telephone: 514 906-3006, extension 2260; fax: 514 906-3009.

Any person wishing to comment on the draft Regulation is requested to submit written comments within the 45-day period to Claude Sicard, Vice President, Partnership and Expert Consulting, Commission des normes, de l'équité, de la santé et de la sécurité du travail, 524, rue Bourdages, local 220, Québec (Québec) G1K 7E2.

MANUELLE OUDAR,
Chair of the board of directors and Chief Executive Officer of the Commission des normes, de l'équité, de la santé et de la sécurité du travail

Regulation to amend the Regulation respecting medical aid

An Act respecting industrial accidents and occupational diseases
(chapter A-3.001, s. 189, par. 5, and s. 454, 1st par., subpar. 3.1)

1. The Regulation respecting medical aid (chapter A-3.001, r. 1) is amended in section 1 by adding ", including a psychotherapist who holds a permit from the Ordre professionnel des psychologues du Québec" at the end of the definition of "health worker".

2. The heading of subdivision 3 of Division III is replaced by the following: "Special rules for psychology, psychotherapy and neuropsychology".

3. Section 17.1 is amended

(1) by inserting ", psychotherapeutic" after "psychological";

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

"It also assumes the cost of psychotherapeutic care administered by the holder of a psychotherapist's permit issued by the Ordre professionnel des psychologues.".

4. Section 17.2 is amended by inserting ", psychotherapeutic" after "psychological".

5. Section 17.3 is amended by inserting "or by the holder of a psychotherapist's permit" after "psychologist".

6. Schedule I is amended by replacing "Psychological and neuropsychological care, hourly rate $86.60" by "Psychological, psychotherapeutic and neuropsychological care, hourly rate $86.60".

7. Schedule IV is amended by replacing the heading "CONTENT OF PSYCHOLOGY AND NEUROPSYCHOLOGY REPORTS" by "CONTENT OF PSYCHOLOGY, PSYCHOTHERAPY AND NEUROPSYCHOLOGY REPORTS".

8. Section 1 of Schedule IV is amended

(1) by replacing "the psychologist's name and permit number" in paragraph 2 by "the name and permit number of the psychologist or psychotherapist";

(2) by inserting "or psychotherapist" after "psychologist" in paragraph 3.

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

102555

Draft Regulation

An Act respecting insurance
(chapter A-32)

Regulation
— Amendment

Notice is hereby given, in accordance with sections 10 and 11 of the Regulations Act (chapter R-18.1), that the Regulation to amend the Regulation under the Act respecting insurance, appearing below, may be submitted to the Government for approval, with or without amendment, on the expiry of 45 days following this publication.

The draft Regulation allows employers to form an association for the sole purpose of undertaking with an insurer a group insurance master policy in which the employees of the members of the association may participate.

Study of the matter has shown no impact on the public and on enterprises, including small and medium-sized businesses.

Further information on the draft Regulation may be obtained by contacting Richard Boivin, Assistant Deputy Minister for policies related to financial institutions and to corporate law, Ministère des Finances, 8, rue Cook, 4e étage, Québec (Québec) G1R 0A4; telephone: 418 646-7563; fax: 418 646-5744; email: richard.boivin@finances.gouv.qc.ca

Any person wishing to comment on the draft Regulation is requested to submit written comments within the 45-day period to the Minister of Finance, 12, rue Saint-Louis, Québec (Québec) G1R 5L3.

CARLOS LEITÃO,
Minister of Finance

Regulation to amend the Regulation under the Act respecting insurance

An Act respecting insurance
(chapter A-32, s. 420, par. *s*)

1. The Regulation under the Act respecting insurance (chapter A-32, r. 1) is amended in section 60 by striking out the third paragraph.

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

102556

Notices

Notice

Natural Heritage Conservation Act
(chapter C-61.01)

**Bois-des-Patriotes Nature Reserve
(Parcelle Mathieu-Nord)
— Recognition**

Notice is hereby given, in keeping with article 58 of the Natural Heritage Conservation Act (chapter C-61.01), that the Minister of Sustainable Development, Environment and the Fight Against Climate Change has recognized as a nature reserve a private property situated on the territory of the municipality of Saint-Denis-sur-Richelieu, MRC of La Vallée-du-Richelieu, known and designated as the lots numbers 3 697 875, 3 697 891, 3 697 901, 3 697 902, 3 697 903, 3 697 874, 3 697 889, 3 697 890, 3 697 896, 3 697 897, 3 697 909, 3 697 910, 5 650 928 and 5 650 930 of the Quebec cadastre, Saint-Hyacinthe registry division. This property is more particularly described in the agreement of recognition and covering an area of 132,17 hectares.

This recognition, for perpetuity, takes effect on the date of the publication of this notice in the *Gazette officielle du Québec.*

AGATHE CIMON,
Director of protected areas

102558

Index

Abbreviations: **A**: Abrogated, **N**: New, **M**: Modified