

**“DIVISION 0.1
PROGRAMS FINANCED BY REVENUES
FROM THE TAX**

0.1 A part of the revenues that are derived from the tax imposed under section 221 of the Act respecting municipal taxation (R.S.Q., c. F-2.1) and that are payable to the municipalities shall be allocated to the financing of the following programs and program components:

(1) the equalization scheme prescribed by the Regulation made under paragraph 7 of section 262 of the Act;

(2) the program intended to financially assist the municipalities that are the “central cities” within the census metropolitan areas;

(3) the program related to the operation of regional county municipalities;

(4) the following components of the program intended to neutralize the financial impact of an amalgamation or annexation:

(a) the component related to the application of this Regulation;

(b) the component related to the application of the Regulation referred to in paragraph 1.”.

2. Section 1 is amended

(1) by substituting “Act” for “Act respecting municipal taxation (R.S.Q., c. F-2.1)” in the first paragraph; and

(2) by deleting the third paragraph.

3. The following is substituted for section 3:

“**3.** The gross amount to be apportioned for a fiscal period is the difference obtained by subtracting, from the total revenues from the tax provided for in section 221 of the Act collected during the 12 months preceding 1 July of the fiscal period, the sums withheld from those revenues under the second paragraph of section 230 of the Act.”.

4. The following is substituted for the third paragraph of section 5:

“The second operation consists in subtracting, from the result obtained from the first operation, the sums which must be taken out of the gross amount for the

implementation, during the fiscal period, of the programs and program components referred to in section 0.1.”.

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

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Draft Regulation

An Act respecting municipal taxation
(R.S.Q., c. F-2.1)

**Equalization scheme
— Amendments**

Notice is hereby given, in accordance with sections 10 and 11 of the Regulations Act (R.S.Q., c. R-18.1), that the Regulation to amend the Regulation respecting the equalization scheme, the text of which appears below, may be made by the Government upon the expiry of 45 days following this publication.

The purpose of the Draft Regulation is to take into account, firstly, the fact that section 4 of Chapter 41 of the Statutes of 1996 provides that the equalization scheme is now financed by means of the revenues from the tax imposed under section 221 of the Act respecting municipal taxation and, secondly, the fact that a memorandum of agreement entered into on 22 August 1996 by the Government and the associations of municipalities provides for an annual limit on the sums that may be taken from those revenues to finance the scheme.

To that end, the Draft Regulation proposes, as the final operation in computing the equalization amount, an adjustment for the purpose of limiting to no more than \$36 000 000 the amount taken annually from the revenues to finance the scheme. It also proposes to postpone the dates fixed for paying the two instalments of the equalization amount so that those dates will fall at a time when the Minister of Municipal Affairs has received the revenues necessary for financing those payments.

To date, study of this matter has revealed no impact on the public or on businesses.

Further information may be obtained by contacting Mr. André Carrier, 20, avenue Pierre-Olivier-Chauveau, 3^e étage, Québec (Québec), G1R 4J3 (tel.: (418) 691-2030; fax: (418) 644-9863).

Any interested person having comments to make concerning the Draft Regulation is asked to send them in writing, before the expiry of the 45-day period, to the Minister of Municipal Affairs, 20, avenue Pierre-Olivier-Chauveau, 3^e étage, Québec (Québec), G1R 4J3.

RÉMI TRUDEL,
Minister of Municipal Affairs

Regulation to amend the Regulation respecting the equalization scheme

An Act respecting municipal taxation
(R.S.Q., c. F-2.1, s. 262, par. 7; 1996, c. 41, s. 7)

1. The Regulation respecting the equalization scheme, made by Order in Council 1087-92 dated 22 July 1992 and amended by the Regulations made by Orders in Council 719-94 dated 18 May 1994 and 502-95 dated 12 April 1995, is further amended by substituting the words “to which the adjustment provided for in Subdivision 7 applies” for the words “payable for the fiscal period in question” in section 17.

2. The following is substituted for the second paragraph of section 18:

“For the purposes of the first paragraph and sections 19 and 21, the group formed by Municipalité de Côte-Nord-du-Golfe-du-Saint-Laurent and the municipalities incorporated under the Act respecting the municipal reorganization of the territory of Municipalité de Côte-Nord-du-Golfe-du-Saint-Laurent (1988, c. 55) shall be regarded as a regional county municipality listed in Schedule I.”.

3. The words “to which the adjustment provided for in Subdivision 7 applies” are substituted for the words “payable for the fiscal period in question” in section 23.

4. The following Subdivision is inserted after section 23:

“§7. *Adjustment*

23.1 The final operation to be performed to establish the equalization amount payable to an eligible municipality is to adjust the amount contemplated, as the case may be, in section 17 or in section 23.

For that purpose, that amount shall be multiplied by the adjustment factor established under section 23.2.

23.2 The adjustment factor shall be established by performing the following operations consecutively:

(1) the following totals are added together, according to the data available on 1 August of the current fiscal period:

(a) the total of the sums that must be paid, during the current fiscal period, under the component pertaining to the application of this Regulation within the program designed to neutralize the financial consequences of a regrouping or annexation, to all the municipalities eligible for that program component;

(b) the total of the sums that must be paid, under section 26, to all the municipalities eligible for the equalization scheme for the fiscal period preceding the current fiscal period, in order to complete the payment of the equalization amounts payable for that preceding fiscal period;

(2) the sum resulting from the addition provided for in subparagraph 1 is subtracted from \$36 000 000;

(3) the remainder resulting from the subtraction provided for in subparagraph 2 is divided by the total of the sums which, according to the data available on 1 August of the current fiscal period, would have to be paid under section 25 to all the municipalities eligible for the equalization scheme for that fiscal period, if the amounts contemplated in sections 17 and 23 were not subject to the adjustment provided for in this Subdivision.

The quotient resulting from the division provided for in subparagraph 3 of the first paragraph shall comprise four decimals. The adjustment factor shall be that quotient or 1.0000, whichever is lower.

For the purposes of the first paragraph, “current fiscal period” means the particular fiscal period for which the equalization amount to be established by performing the adjustment provided for in this Subdivision is payable.

23.3 For any eligible municipality, the product resulting from the multiplication provided for in section 23.1 shall constitute the equalization amount payable for the fiscal period in question.”.

5. The date “31 August” is substituted for the date “30 June” in subparagraph 1 of the second paragraph of section 25.

6. The date “31 August” is substituted for the date “30 April” in the first paragraph of section 26.

7. Sections 1, 3 and 4 apply for the purposes of establishing the equalization amount payable for any fiscal period beginning with the 1997 fiscal period.

- 8.** This Regulation has effect from 1 January 1997.
- 9.** This Regulation comes into force on the fifteenth day following the date of its publication in the *Gazette officielle du Québec*.

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Draft Regulation

An Act respecting the Société Innovatech du Grand Montréal
(R.S.Q., c. S-17.2; 1995, c. 19 and 1996, c. 13)

Eligibility criteria for initiatives and financial participation of the Société — Amendments

Notice is hereby given, in accordance with sections 10 and 11 of the Regulations Act (R.S.Q., c. R-18.1), that the By-law to amend the By-law respecting eligibility criteria for initiatives and the financial participation of the Société Innovatech du Grand Montréal, the text of which appears below, may be approved by the Government upon the expiry of a 45-day period following this publication.

The main purpose of the draft regulation is to broaden eligibility criteria for initiatives that may be presented to the Société and to extend the financial participation of the Société; the draft regulation also proposes that the participation of the Société will generally take the form of risk capital.

The draft regulation will have an impact on businesses since it aims at allowing groups of persons, associations or partnerships to present an initiative that fits in with the mission of the Société and at prescribing that the Société shall consider all the other funding sources when evaluating its financial participation in the realization of an initiative.

Further information may be obtained by contacting Mr. Bernard Coupal, president, Société Innovatech du Grand Montréal, 2020, rue University, bureau 1527, Montréal (Québec), H3A 2A5; tel.: (514) 864-2929, fax: (514) 864-4220.

Any interested person having comments to make is asked to send them in writing, before the expiry of the 45-day period, to the Minister of State for Greater Montréal, 800, tour de la Place-Victoria, 3^e étage, bureau 3.16, Montréal (Québec), H4Z 1B7.

SERGE MÉNARD,
Minister of State for Greater Montréal

By-law to amend the By-law respecting eligibility criteria for initiatives and the financial participation of the Société Innovatech du Grand Montréal

An Act respecting the Société Innovatech du Grand Montréal
(R.S.Q., c. S-17.2, s. 25; 1995, c. 19 and 1996, c. 13)

1. The By-law respecting eligibility criteria for initiatives and the financial participation of the Société Innovatech du Grand Montréal, approved by Order in Council 1811-92 dated 9 December 1992, is amended by adding the following paragraph at the end of section 2:

“Any group of persons, associations or partnerships may also present an initiative to the Société.”

2. The following is substituted for section 3:

“**3.** An initiative shall fit in with the mission of the Société.”

3. Sections 4 and 8 are revoked.

4. The following is substituted for section 10:

“**10.** When evaluating its financial participation in the realization of an initiative, the Société shall consider all the other planned funding sources.”

5. The following is substituted for the first paragraph of section 11:

“**11.** Financial participation by the Société shall take the form of risk capital, i.e., speculative investments offering high probabilities of growth.

Notwithstanding the foregoing, financial participation by the Société in the financing of any non-profit association or agency for the purpose of contributing to the realization of initiatives may take the form of

- (1) a non-reimbursable contribution;
- (2) an interest-free loan or a loan bearing interest;
- (3) a taking over of all or a portion of the interest charges on a loan; or
- (4) a loan repayment guarantee.”

6. This By-law comes into force on the fifteenth day following the date of its publication in the *Gazette officielle du Québec*.

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