

Regulations and other acts

Gouvernement du Québec

O.C. 345-2007, 16 May 2007

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

Equalization scheme — Amendments

Regulation to amend the Regulation respecting the equalization scheme

WHEREAS, under paragraph 7 of section 262 of the Act respecting municipal taxation (R.S.Q., c. F-2.1), the Government may by regulation

(a) prescribe the rules for determining the local municipalities eligible under the equalization scheme provided for in section 261;

(b) prescribe the rules for establishing the standardized property value per inhabitant and the average value of the dwellings situated in the territory of a local municipality;

(c) prescribe the rules for establishing the minimum number of local municipalities in respect of which data must be taken into consideration for the purpose of establishing the median property value and dwelling value referred to in subparagraph *b*;

(d) prescribe the rules for establishing the amount of the sum to which a municipality eligible under the equalization scheme is entitled, which rules may be different in respect of any municipality the Government specifies or any category of municipalities the Government defines;

(e) determine the cases where a municipality loses the right to receive the sum referred to in subparagraph *d*;

(f) designate the person who is to pay the sum referred to in subparagraph *d* and prescribe the terms and conditions of payment;

WHEREAS the Government made the Regulation respecting the equalization scheme by Order in Council 1198-2002 dated 9 October 2002;

WHEREAS it is expedient to amend the Regulation to respect, as of the fiscal year 2007, various commitments made by the Government to the municipalities in the Entente sur un nouveau partenariat fiscal et financier pour les années 2007 à 2013, in particular as regards the amount to be allocated among the local municipalities;

WHEREAS the eligibility criteria under the equalization scheme and the rules for computing the equalization amount to which a local municipality is entitled must be modified to reflect the special situation of certain municipalities that no longer are eligible in 2007 because the criterion of average value of dwellings is not met, owing to their standardized property value being significantly deficient;

WHEREAS, under section 12 of the Regulations Act (R.S.Q., c. R-18.1), a proposed regulation may be made without having been published as provided in section 8 of that Act, if the authority making it is of the opinion that the urgency of the situation requires it;

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

WHEREAS, under sections 13 and 18 of that Act, the reason justifying the absence of prior publication and such coming into force must be published with the regulation;

WHEREAS the Government is of the opinion that the urgency due to the following circumstances justifies the absence of prior publication and such coming into force of the Regulation to amend the Regulation respecting the equalization scheme, attached to this Order in Council:

— the equalization amounts to which the eligible municipalities will be entitled for the fiscal year 2007 must be paid to them at the latest by 30 June 2007;

— the amounts are essential to ensure a balanced budget.

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

THAT the Regulation to amend the Regulation respecting the equalization scheme be made.

GÉRARD BIBEAU,
Clerk of the Conseil exécutif

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)

1. Section 2 of the Regulation respecting the equalization scheme is amended by inserting the following after paragraph 3:

“(3.1) “Minister” means the Minister of Municipal Affairs and Regions;”.

2. Section 4 is amended by replacing “is” in subparagraphs 1 and 2 of the first paragraph by “was”.

3. Section 5 is amended by striking out “of Municipal Affairs and Greater Montréal” in the first paragraph.

4. The following is inserted after section 6:

“**6.1.** Notwithstanding the first paragraph of section 4, any local municipality is eligible if, for the first fiscal year that precedes the current fiscal year,

(1) the condition provided for in subparagraph 1 of the first paragraph of section 4 was met while the condition provided for in subparagraph 2 of that paragraph was not; and

(2) the municipality was eligible under sections 4 and 5.

The second paragraph of section 4 and section 5 continue to apply however, with the necessary modifications, to withdraw from the municipality the eligibility it would otherwise have under the first paragraph.

6.2. Notwithstanding the first paragraph of section 4, any local municipality is eligible if, for the first fiscal year that precedes the current fiscal year,

(1) the condition provided for in subparagraph 1 of the first paragraph of section 4 was met while the condition provided for in subparagraph 2 of that paragraph was not; and

(2) the municipality was eligible under section 6.1.

6.3. Notwithstanding the first paragraph of section 4, any local municipality is eligible if, for the first fiscal year that precedes the current fiscal year,

(1) the condition provided for in subparagraph 1 of the first paragraph of section 4 was met while the condition provided for in subparagraph 2 of that paragraph was not; and

(2) the municipality was eligible under section 6.2.”.

5. The heading of Division A of Subdivision 2 of Division II is revoked.

6. The heading of Division B of Subdivision 2 of Division II is revoked.

7. Section 9 is amended by replacing “For the first fiscal year preceding the year of reference and for a municipality that” by “For a municipality that, for the first fiscal year preceding the year of reference,” and by replacing “standardized aggregate taxation rate of the municipality established for that preceding fiscal year in accordance with sections 10 and 12 shall be used to determine the capitalization provided for in paragraph 8 of section 261.1 of the Act, on the basis of the data certified pursuant to section 13 rather than on the basis of the budgetary data” by “standardized effective aggregate taxation rate of the municipality established for that preceding fiscal year in accordance with subparagraph 2 of the first paragraph of section 261.5.15 of the Act is used to determine the capitalization provided for in paragraph 8 of section 261.1 of the Act, rather than the standardized projected aggregate taxation rate”.

8. Sections 10 to 12 are revoked.

9. Section 13 is replaced by the following:

“**13.** The clerk of a municipality that, for the first fiscal year preceding the year of reference, had revenues from the application of section 222 of the Act must certify, in a certificate included in the financial report drawn up for the preceding fiscal year, the value resulting from the capitalization determined under section 9, having regard to the alterations to the property assessment roll that must be taken into consideration under section 261.5.14 of the Act.”.

* The Regulation respecting the equalization scheme, made by Order in Council 1198-2002 dated 9 October 2002 (2002, G.O. 2, 5553), has not been amended since it was made.

10. Section 17 is amended by striking out “of Municipal Affairs and Greater Montréal”.

11. Section 18 is amended

(1) by striking out “of Municipal Affairs and Greater Montréal” in the first paragraph;

(2) by striking out “and in the fourth paragraph of section 10” in the second paragraph;

(3) by replacing “any of those paragraphs” in the second paragraph by “that paragraph”.

12. Section 19 is amended by striking out “of Municipal Affairs and Greater Montréal” in the third paragraph.

13. Section 20 is amended by replacing “\$36 000 000” by “\$60,000,000”.

14. The heading of Division A of Subdivision 2 of Division III is amended by replacing “northern municipalities” by “municipalities entitled to a predetermined amount”.

15. Section 23 is amended

(1) by inserting “, including if it is eligible under any of sections 6.1 to 6.3,” after “receive” in the first paragraph;

(2) by striking out the third paragraph;

(3) by adding the following sentence after the fourth paragraph: “If it is eligible under any of sections 6.1 to 6.3, the equalization amount it is entitled to receive is the amount provided for in its respect under section 23.1.”.

16. The following is inserted after section 23:

“**23.1.** Any municipality eligible under any of sections 6.1 to 6.3 is entitled to receive for the current fiscal year,

(1) in the case of a municipality referred to in section 6.1, an equalization amount equal to 75% of the equalization amount to which it was entitled for the first fiscal year that precedes the current fiscal year;

(2) in the case of a municipality referred to in section 6.2, an equalization amount equal to 50% of the equalization amount to which it was entitled for the second fiscal year that precedes the current fiscal year; or

(3) in the case of a municipality referred to in section 6.3, an equalization amount equal to 25% of the equalization amount to which it was entitled for the third fiscal year that precedes the current fiscal year.”.

17. The heading of Division B of Subdivision 2 of Division III is amended by adding “or 23.1” after “23”.

18. Section 24 is amended by adding “or 23.1” after “23”.

19. Section 25 is amended in subparagraph 1 of the first paragraph

(1) by replacing “\$36 000 000” by “\$60,000,000”;

(2) by replacing “section 23” by “sections 23 and 23.1”.

20. Division IV, comprising sections 26 to 28, is revoked.

21. Section 29 is amended

(1) by striking out “of Municipal Affairs and Greater Montréal” in the first paragraph;

(2) by striking out the second paragraph.

22. Section 33 is amended by replacing “9 to 13” in subparagraph 1 of the first paragraph by “9 and 13”.

23. Section 35 is amended by replacing “9 to 13” in subparagraph 2 of the second paragraph by “9 and 13”.

24. Section 37 is revoked.

25. Section 38 is amended by replacing “2 to 5” by “5 to 5.3”.

26. Subdivisions 2 to 4 of Division VII, comprising sections 39 to 68, are revoked.

27. Subdivision 5 of Division VII, comprising sections 69 and 70, is replaced by the following:

“§5. *Adaptations applicable in 2007*

69. The adaptations provided for in this Subdivision apply for the purpose of determining if a local municipality is eligible for the fiscal year 2007 and, if eligible, of computing the equalization amount to which it is entitled for that fiscal year.”.

70. Sections 9 and 13 are transitionally replaced by the following:

“**9.** For a municipality that, for the fiscal year 2005, had revenues from the application of section 222 of the Act, the standardized aggregate taxation rate of the municipality established for the fiscal year 2005 in accordance with sections 10 to 12 is used to determine the capitalization provided for in paragraph 8 of section 261.1 of the Act, on the basis of the data certified pursuant to section 13 rather than on the basis of the budgetary data referred to in section 261.4 of the Act.

10. The standardized aggregate taxation rate of the municipality for the fiscal year 2005 is the quotient obtained by dividing the total of its revenues for that fiscal year, as considered under section 11, by the result of the standardization of the taxable values entered on the property assessment roll of the municipality for that fiscal year.

The quotient obtained must contain six decimals.

The standardization of a value entered on the property assessment roll consists in multiplying that value by the factor established in respect of the roll, under section 264 of the Act, for the fiscal year 2005.

For that purpose, the property assessment roll is taken into consideration as it existed on 1 January 2005, having regard to the alterations that took effect on or before that date and of which the municipality advises the Minister, in accordance with section 13, before 1 May 2007.

11. For the purpose of establishing the standardized aggregate taxation rate, revenues that are revenues of the municipality for the fiscal year 2005 and that are derived from the following are taken into consideration:

(1) municipal property taxes imposed for that fiscal year; and

(2) non-property taxes, compensations and modes of tariffing that the municipality imposes on any person, for that fiscal year, because such person is the owner, lessee or occupant of an immovable.

The part of such revenues that is the subject of a credit other than the discount granted for early payment is not taken into consideration.

Revenues from the following sources are also not taken into consideration:

(1) the business tax or the tax imposed under section 487.3 of the Cities and Towns Act (R.S.Q., c. C-19) or article 979.3 of the Municipal Code of Québec (R.S.Q., c. C-27.1);

(2) any property tax payable under the first paragraph of section 208 of the Act;

(3) any non-property tax, compensation or mode of tariffing payable under the first paragraph of section 257 of the Act;

(4) any non-property tax, compensation or mode of tariffing for providing a municipal service in respect of an immovable belonging to the Crown in right of Canada or one of its mandataries;

(5) the compensation payable under section 205 of the Act; and

(6) the surtax or tax on non-residential immovables.

If, in respect of the category of non-residential immovables provided for in section 244.33 of the Act, the municipality has fixed a specific general property tax rate under section 244.29 of the Act that is greater than the basic rate provided for in section 244.38 of the Act, a part of the revenues from that tax and from any special tax imposed under section 487.1 or 487.2 of the Cities and Towns Act (R.S.Q., c. C-19) or article 979.1 or 979.2 of the Municipal Code of Québec (R.S.Q., c. C-27.1) is not taken into consideration, as provided in section 12.

12. The part of the revenues not taken into consideration for the purpose of establishing the standardized aggregate taxation rate, in the circumstances referred to in the fourth paragraph of section 11, is the difference obtained by subtracting the second of the following amounts from the first:

(1) the amount of the total revenues deriving from the imposition of the tax on the units of assessment belonging to one of the categories provided for in sections 244.33 and 244.34 of the Act; and

(2) the amount of the total revenues that would derive from the imposition of the tax on the units of assessment referred to in subparagraph 1 of the first paragraph if the basic rate provided for in section 244.38 of the Act were applied or, if the municipality has fixed a rate specific to the category provided for in section 244.35 of the Act, the average rate computed in accordance with the second paragraph.

The average rate is obtained by dividing the first of the following amounts by the second:

(1) the dividend is the amount of the total revenues

(a) deriving from the imposition of the tax on the units of assessment in respect of which all or part of the basic rate provided for in section 244.38 of the Act or the rate specific to the category provided for in section 244.35 of the Act is used to compute the amount of the tax; and

(b) resulting from the application of all or part of a rate referred to in subparagraph *a*; and

(2) the divisor is the amount of the total of the taxable values of the units of assessment referred to in subparagraph *a* of subparagraph 1, as determined taking into account, in the case of a unit in respect of which only a percentage of a rate referred to in that subparagraph is applied, only the percentage corresponding to its taxable value.

The second and fourth paragraphs of section 10 apply for the purpose of computing the average rate.

13. The clerk of a municipality that, for the fiscal year 2005, had revenues from the application of section 222 of the Act must certify, in a certificate included in the financial report drawn up for that fiscal year, the value resulting from the capitalization determined under section 9, having regard to the alterations to the property assessment roll that took effect on or before 1 January 2005 and that were made before the certificate was issued.

Where an alteration taking effect on or before 1 January 2005 was made after the certificate was drawn up and before 1 May 2007 and the certified value is modified as a result, the clerk must certify the modified value in an amended certificate. In order to be taken into consideration, the certificate must have been received by the Minister before 1 May 2007.

If the average rate computed in accordance with the second paragraph of section 12 was used to establish the certified value, the certificate must also certify the divisor referred to in subparagraph 2 of that paragraph.

13.1. For the purposes of sections 9 to 13, the legislative provisions referred to and taken into consideration are the legislative provisions as they existed when they applied for the purposes of the fiscal year 2005.”.

70.1. Section 18 is transitionally replaced by the following:

“**18.** For a municipality that, for the fiscal year 2005, had revenues from the application of section 222 of the Act, its standardized property value per inhabitant is taken into consideration for the purpose of establishing the median, notwithstanding section 17, only if its financial report for that fiscal year and its summary for the fiscal year 2006 were received by the Minister before 1 November 2006.

For those purposes only, that date replaces the date of 1 May 2007 referred to in the second paragraph of section 7 and in the fourth paragraph of section 10. The median established is not changed even if, because of an alteration referred to in any of those paragraphs of which the Minister is seized after 31 October 2006 and before 1 May 2007, any of the values taken into consideration is altered subsequently.”.

70.2. Section 20 is transitionally replaced by the following:

“**20.** The sum to be apportioned for the fiscal year 2007 is the difference obtained by subtracting from \$46,828,000 the total of the neutrality amounts that must be paid in 2007 according to the data available on 1 May 2007.”.

70.3. Subdivision 2 of Division III is transitionally replaced by the following:

“§2. *Computation of the equalization amount*

A- Equalization amount of certain municipalities entitled to a predetermined amount

23. Any municipality referred to in section 6 is entitled to receive, including when it is eligible under section 6.1, an equalization amount equal to the higher of the equalization amount to which it was entitled for the fiscal year 2001 and the aliquot share that is computed in its respect, in accordance with Subdivision 1, for the fiscal year 2007.

If the municipality was not taken into consideration for the purposes of Subdivision 1, the equalization amount is equal to the amount to which the municipality was entitled for the fiscal year 2001.

Any eligible municipality, from among the group made up of Municipalité de Baie-James, Ville de Chibougamau, Ville de Fermont and Ville de Lebel-sur-Quévillon, is entitled to receive an equalization amount equal to the

aliquot share that is computed in its respect, in accordance with Subdivision 1, for the fiscal year 2007. If the municipality is eligible under section 6.1, the equalization amount that the municipality is entitled to receive is the amount provided for in its respect under section 23.1.

23.1. Subject to the third paragraph of section 24.3, any municipality eligible under section 6.1 is entitled to receive, for the fiscal year 2007, an equalization amount equal to 75% of the equalization amount to which it was entitled for the fiscal year 2006.

B- Equalization amount of a municipality not referred to in section 23 or 23.1

i. Rule

24. The equalization amount of an eligible municipality that is not referred to in section 23 or 23.1 is the result of the adjustment provided for in section 25 that is made to the sum computed in accordance with section 24.3 or 24.4.

ii. Adjustment computed in respect of a new municipality

24.1. Sections 24.2 and 24.3 apply for the purpose of computing the sum to be adjusted under section 25 in respect of any eligible municipality that meets the following conditions:

(1) it is a new municipality within the meaning of section 30; and

(2) the budget it adopted for the fiscal year 2002 was its first budget, if the municipality results from an amalgamation, or its first budget that takes into account the annexation, if the municipality effected a total annexation.

24.2. For the purpose of computing the sum to be adjusted, an aliquot share is first computed in respect of the municipality by applying Subdivision 1.

24.3. The sum to be adjusted is the difference obtained by subtracting the neutrality amount that must be paid to the municipality in 2007 according to the data available on 1 May 2007 from the aliquot share computed in respect of the municipality in accordance with section 24.2.

The sum is equal to zero where the aliquot share is equal to or less than the neutrality amount.

If the municipality is eligible under section 6.1, the subtraction provided for in the first paragraph is made using 75% of the aliquot share computed for the fiscal year 2006 rather than the aliquot share computed for the fiscal year 2007.

iii. Adjustment computed in respect of another municipality

24.4. For any eligible municipality that is not referred to in section 23, 23.1 or 24.1, the sum to be adjusted under section 25 is the aliquot share computed in its respect by applying Subdivision 1.

iv. Adjustment

25. The adjustment of the sum computed in accordance with section 24.3 or 24.4 consists in multiplying that sum by the factor determined by the following consecutive operations:

(1) the total formed by the equalization amounts computed in accordance with sections 23 and 23.1 and the neutrality amounts that must be paid in 2007 according to the data available on 1 May 2007 is subtracted from \$46,828,000; and

(2) the difference resulting from the subtraction provided for in subparagraph 1 is divided by the total of the sums computed in accordance with sections 24.3 and 24.4.

The quotient resulting from that division and constituting the adjustment factor must contain 11 decimals.”.

70.4. Section 33 is transitionally amended by replacing “9 and 13” in subparagraph 1 of the first paragraph by “9 to 13.1”.

70.5. Section 35 is transitionally amended by replacing “9 and 13” in subparagraph 2 of the second paragraph by “9 to 13.1”.

§5.1 Adaptations applicable in 2008

70.6. The adaptations provided for in this Subdivision apply for the purpose of determining if a local municipality is eligible for the fiscal year 2008 and, if eligible, of computing the equalization amount to which it is entitled for that fiscal year.

70.7. Sections 9 and 13 are transitionally replaced by the following:

“**9.** For a municipality that, for the fiscal year 2006, had revenues from the application of section 222 of the Act, the standardized aggregate taxation rate of the municipality established for the fiscal year 2006 in accordance with sections 10 to 12 is used to determine the capitalization provided for in paragraph 8 of section 261.1 of the Act, on the basis of the data certified pursuant to section 13 rather than on the basis of the budgetary data referred to in section 261.4 of the Act.

10. The standardized aggregate taxation rate of the municipality for the fiscal year 2006 is the quotient obtained by dividing the total of its revenues for that fiscal year, as considered under section 11, by the result of the standardization of the taxable values entered on the property assessment roll of the municipality for that fiscal year.

The quotient obtained must contain six decimals.

The standardization of a value entered on the property assessment roll consists in multiplying that value by the factor established in respect of the roll, under section 264 of the Act, for the fiscal year 2006.

For that purpose, the property assessment roll is taken into consideration as it existed on 1 January 2006, having regard to the alterations that take effect on or before that date and of which the municipality advises the Minister, in accordance with section 13, before 1 May 2008.

11. For the purpose of establishing the standardized aggregate taxation rate, revenues that are revenues of the municipality for the fiscal year 2006 and that are derived from the following are taken into consideration:

(1) municipal property taxes imposed for that fiscal year; and

(2) non-property taxes, compensations and modes of tariffing that the municipality imposes on any person, for that fiscal year, because such person is the owner, lessee or occupant of an immovable.

The part of such revenues that is the subject of a credit other than the discount granted for early payment is not taken into consideration.

Revenues from the following sources are also not taken into consideration:

(1) the business tax or the tax imposed under section 487.3 of the Cities and Towns Act (R.S.Q., c. C-19) or article 979.3 of the Municipal Code of Québec (R.S.Q., c. C-27.1);

(2) any property tax payable under the first paragraph of section 208 of the Act;

(3) any non-property tax, compensation or mode of tariffing payable under the first paragraph of section 257 of the Act;

(4) any non-property tax, compensation or mode of tariffing for providing a municipal service in respect of an immovable belonging to the Crown in right of Canada or one of its mandataries; and

(5) the compensation payable under section 205 of the Act.

If, in respect of the category of non-residential immovables provided for in section 244.33 of the Act, the municipality has fixed a specific general property tax rate under section 244.29 of the Act that is greater than the basic rate provided for in section 244.38 of the Act, a part of the revenues from that tax and from any special tax imposed under section 487.1 or 487.2 of the Cities and Towns Act (R.S.Q., c. C-19) or article 979.1 or 979.2 of the Municipal Code of Québec (R.S.Q., c. C-27.1) is not taken into consideration, as provided in section 12.

12. The part of the revenues not taken into consideration for the purpose of establishing the standardized aggregate taxation rate, in the circumstances referred to in the fourth paragraph of section 11, is the difference obtained by subtracting the second of the following amounts from the first:

(1) the amount of the total revenues deriving from the imposition of the tax on the units of assessment belonging to one of the categories provided for in sections 244.33 and 244.34 of the Act; and

(2) the amount of the total revenues that would derive from the imposition of the tax on the units of assessment referred to in subparagraph 1 of the first paragraph if the basic rate provided for in section 244.38 of the Act were applied or, if the municipality has fixed a rate specific to the category provided for in section 244.35 of the Act, the average rate computed in accordance with the second paragraph.

The average rate is obtained by dividing the first of the following amounts by the second:

(1) the dividend is the amount of the total revenues

(a) deriving from the imposition of the tax on the units of assessment in respect of which all or part of the basic rate provided for in section 244.38 of the Act or the rate specific to the category provided for in section 244.35 of the Act is used to compute the amount of the tax; and

(b) resulting from the application of all or part of a rate referred to in subparagraph a; and

(2) the divisor is the amount of the total taxable values of the units of assessment referred to in subparagraph a of subparagraph 1, as determined taking into account, in the case of a unit in respect of which only a percentage of a rate referred to in that subparagraph is applied, only the percentage corresponding to its taxable value.

The second and fourth paragraphs of section 10 apply for the purpose of computing the average rate.

13. The clerk of a municipality that, for the fiscal year 2006, had revenues from the application of section 222 of the Act must certify, in a certificate included in the financial report drawn up for the fiscal year, the value resulting from the capitalization determined under section 9, having regard to the alterations to the property assessment roll that took effect on or before 1 January 2006 and that were made before the certificate was issued.

Where an alteration taking effect on or before 1 January 2006 is made after the certificate is drawn up and before 1 May 2008 and the certified value is modified as a result, the clerk must certify the modified value in an amended certificate. In order to be taken into consideration, the certificate must be received by the Minister before 1 May 2008.

If the average rate computed in accordance with the second paragraph of section 12 was used to establish the certified value, the certificate must also certify the divisor referred to in subparagraph 2 of that paragraph.

13.1. For the purposes of sections 9 to 13, the legislative provisions referred to and taken into consideration are the legislative provisions as they existed when they applied for the purposes of the fiscal year 2006.”

70.8. Section 18 is transitionally replaced by the following:

“**18.** For a municipality that, for the fiscal year 2006, had revenues from the application of section 222 of the Act, its standardized property value per inhabitant is taken into consideration for the purpose of establishing the median, notwithstanding section 17, only if its financial report for that fiscal year and its summary for the fiscal year 2007 are received by the Minister before 1 November 2007.

For those purposes only, that date replaces the date of 1 May 2008 referred to in the second paragraph of section 7 and in the fourth paragraph of section 10. The median established is not changed even if, because of an alteration referred to in any of those paragraphs of which the Minister is seized after 31 October 2007 and before 1 May 2008, any of the values taken into consideration is altered subsequently.”

70.9. Section 20 is transitionally replaced by the following:

“**20.** The sum to be apportioned for the fiscal year 2008 is the difference obtained by subtracting from \$50,000,000 the total of the neutrality amounts that must be paid in 2008 according to the data available on 1 May 2008.”

70.10. Subdivision 2 of Division III is transitionally replaced by the following:

“§2. *Computation of the equalization amount*

A- Equalization amount of certain municipalities entitled to a predetermined amount

23. Any municipality referred to in section 6 is entitled to receive, including when it is eligible under section 6.1 or 6.2, an equalization amount equal to the higher of the equalization amount to which it was entitled for the fiscal year 2001 and the aliquot share that is computed in its respect, in accordance with Subdivision 1, for the fiscal year 2008.

If the municipality was not taken into consideration for the purposes of Subdivision 1, the equalization amount is equal to the amount to which the municipality was entitled for the fiscal year 2001.

Any eligible municipality, from among the group made up of Municipalité de Baie-James, Ville de Chibougamau, Ville de Fermont and Ville de Lebel-sur-Quévillon, is entitled to receive an equalization amount equal to the aliquot share that is computed in its respect, in accordance with Subdivision 1, for the fiscal year 2008. If the municipality is eligible under section 6.1 or 6.2, the equalization amount that the municipality is entitled to receive is the amount provided for in its respect under section 23.1.

23.1. Subject to the third paragraph of section 24.3, any municipality eligible under section 6.1 or 6.2 is entitled to receive, for the fiscal year 2008,

(1) in the case of a municipality referred to in section 6.1, an equalization amount equal to 75% of the equalization amount to which it was entitled for the fiscal year 2007; or

(2) in the case of a municipality referred to in section 6.2, an equalization amount equal to 50% of the equalization amount to which it was entitled for the fiscal year 2006.

B- Equalization amount of a municipality not referred to in section 23 or 23.1

i. Rule

24. The equalization amount of an eligible municipality that is not referred to in section 23 or 23.1 is the result of the adjustment provided for in section 25 that is made to the sum computed in accordance with section 24.3 or 24.4.

ii. Adjustment computed in respect of a new municipality

24.1. Sections 24.2 and 24.3 apply for the purpose of computing the sum to be adjusted under section 25 in respect of any eligible municipality that meets the following conditions:

(1) it is a new municipality within the meaning of section 30; and

(2) the budget it adopted for the fiscal year 2002 was its first budget, if the municipality results from an amalgamation, or its first budget that takes into account the annexation, if the municipality effected a total annexation.

24.2. For the purpose of computing the sum to be adjusted, an aliquot share is first computed in respect of the municipality by applying Subdivision 1.

24.3. The sum to be adjusted is the difference obtained by subtracting the neutrality amount that must be paid to the municipality in 2008 according to the data available on 1 May 2008 from the aliquot share computed in respect of the municipality in accordance with section 24.2.

The sum is equal to zero where the aliquot share is equal to or less than the neutrality amount.

If the municipality is eligible under section 6.1 or 6.2, the subtraction provided for in the first paragraph is made using, rather than the aliquot share computed for the fiscal year 2008,

(1) in the case of a municipality referred to in section 6.1, 75% of the aliquot share computed for the fiscal year 2007; or

(2) in the case of a municipality referred to in section 6.2, 50% of the aliquot share computed for the fiscal year 2006.

iii. Adjustment computed in respect of another municipality

24.4. For any eligible municipality that is not referred to in section 23, 23.1 or 24.1, the sum to be adjusted under section 25 is the aliquot share computed in its respect by applying Subdivision 1.

iv. Adjustment

25. The adjustment of the sum computed in accordance with section 24.3 or 24.4 consists in multiplying that sum by the factor determined by the following consecutive operations:

(1) the total formed by the equalization amounts computed in accordance with sections 23 and 23.1 and the neutrality amounts that must be paid in 2008 according to the data available on 1 May 2008 is subtracted from \$50,000,000; and

(2) the difference resulting from the subtraction provided for in subparagraph 1 is divided by the total of the sums computed in accordance with sections 24.3 and 24.4.

The quotient resulting from that division and constituting the adjustment factor must contain 11 decimals.”.

70.11. Section 33 is transitionally amended by replacing “9 and 13” in subparagraph 1 of the first paragraph by “9 to 13.1”.

70.12. Section 35 is transitionally amended by replacing “9 and 13” in subparagraph 2 of the second paragraph by “9 to 13.1”.

§5.2 Adaptations applicable in 2009

70.13. The adaptations provided for in this Subdivision apply for the purpose of determining if a local municipality is eligible for the fiscal year 2009 and, if eligible, of computing the equalization amount to which it is entitled for that fiscal year.

70.14. Section 13 is transitionally replaced by the following:

“**13.** The clerk of a municipality that, for the fiscal year 2007, had revenues from the application of section 222 of the Act must certify, in a certificate included in the financial report drawn up for that fiscal year, the value resulting from the capitalization determined under section 9, having regard to the alterations to the property assessment roll that must be taken into consideration under section 261.5.14 of the Act.

If section 261.5.7 of the Act, transitionally enacted by section 138 of chapter 31 of the Statutes of 2006, applied to the municipality for the purpose of establishing the standardized aggregate taxation rate for the fiscal year 2007, the certificate must also certify the divisor that was used in the computation of the average rate provided for in the third paragraph of section 261.5.7, taking into account, if applicable, section 261.5.10 of the Act, transitionally enacted by section 138.”.

70.15. Section 20 is transitionally replaced by the following:

“**20.** The sum to be apportioned for the fiscal year 2009 is the difference obtained by subtracting from \$50,000,000 the total of the neutrality amounts that must be paid in 2009 according to the data available on 1 May 2009.”.

70.16. Subdivision 2 of Division III is transitionally replaced by the following:

“**§2. Computation of the equalization amount**

A- Equalization amount of certain municipalities entitled to a predetermined amount

23. Any municipality referred to in section 6 is entitled to receive, including when it is eligible under any of sections 6.1 to 6.3, an equalization amount equal to the higher of the equalization amount to which it was entitled for the fiscal year 2001 and the aliquot share that is computed in its respect, in accordance with Subdivision 1, for the fiscal year 2009.

If the municipality was not taken into consideration for the purposes of Subdivision 1, the equalization amount is equal to the amount to which the municipality was entitled for the fiscal year 2001.

Any eligible municipality, from among the group made up of Municipalité de Baie-James, Ville de Chibougamau, Ville de Fermont and Ville de Lebel-sur-Quévillon, is entitled to receive an equalization amount equal to the aliquot share that is computed in its respect, in accordance with Subdivision 1, for the fiscal year 2009. If the municipality is eligible under any of sections 6.1 to 6.3, the equalization amount that the municipality is entitled to receive is the amount provided for in its respect under section 23.1.

23.1. Subject to the third paragraph of section 24.3, any municipality eligible under any of sections 6.1 to 6.3 is entitled to receive, for the fiscal year 2009,

(1) in the case of a municipality referred to in section 6.1, an equalization amount equal to 75% of the equalization amount to which it was entitled for the fiscal year 2008;

(2) in the case of a municipality referred to in section 6.2, an equalization amount equal to 50% of the equalization amount to which it was entitled for the fiscal year 2007; or

(3) in the case of a municipality referred to in section 6.3, an equalization amount equal to 25% of the equalization amount to which it was entitled for the fiscal year 2006.

B- Equalization amount of a municipality not referred to in section 23 or 23.1

i. Rule

24. The equalization amount of an eligible municipality that is not referred to in section 23 or 23.1 is the result of the adjustment provided for in section 25 that is made to the sum computed in accordance with section 24.3 or 24.4.

ii. Adjustment computed in respect of a new municipality

24.1. Sections 24.2 and 24.3 apply for the purpose of computing the sum to be adjusted under section 25 in respect of any eligible municipality that meets the following conditions:

(1) it is a new municipality within the meaning of section 30; and

(2) the budget it adopted for the fiscal year 2002 was its first budget, if the municipality results from an amalgamation, or its first budget that takes into account the annexation, if the municipality effected a total annexation.

24.2. For the purpose of computing the sum to be adjusted, an aliquot share is first computed in respect of the municipality by applying Subdivision 1.

24.3. The sum to be adjusted is the difference obtained by subtracting the neutrality amount that must be paid to the municipality in 2009 according to the data available on 1 May 2009 from the aliquot share computed in respect of the municipality in accordance with section 24.2.

The sum is equal to zero where the aliquot share is equal to or less than the neutrality amount.

If the municipality is eligible under any of sections 6.1 to 6.3, the subtraction provided for in the first paragraph is made using, rather than the aliquot share computed for the fiscal year 2009,

(1) in the case of a municipality referred to in section 6.1, 75% of the aliquot share computed for the fiscal year 2008;

(2) in the case of a municipality referred to in section 6.2, 50% of the aliquot share computed for the fiscal year 2007; or

(3) in the case of a municipality referred to in section 6.3, 25% of the aliquot share computed for the fiscal year 2006.

iii. Adjustment computed in respect of another municipality

24.4. For any eligible municipality that is not referred to in section 23, 23.1 or 24.1, the sum to be adjusted under section 25 is the aliquot share computed in its respect by applying Subdivision 1.

iv. Adjustment

25. The adjustment of the sum computed in accordance with section 24.3 or 24.4 consists in multiplying that sum by the factor determined by the following consecutive operations:

(1) the total formed by the equalization amounts computed in accordance with sections 23 and 23.1 and the neutrality amounts that must be paid in 2009 according to the data available on 1 May 2009 is subtracted from \$50,000,000; and

(2) the difference resulting from the subtraction provided for in subparagraph 1 is divided by the total of the sums computed in accordance with sections 24.3 and 24.4.

The quotient resulting from that division and constituting the adjustment factor must contain 11 decimals.”.

§5.3 Adaptations applicable in 2010

70.17. The adaptations provided for in this Subdivision apply for the purpose of computing the equalization amount to which an eligible municipality is entitled for the fiscal year 2010.

70.18. Section 20 is transitionally replaced by the following:

“**20.** The sum to be apportioned for the fiscal year 2010 is the difference obtained by subtracting from \$50,000,000 the total of the neutrality amounts that must be paid in 2010 according to the data available on 1 May 2010.”.

70.19. Section 25 is transitionally replaced by the following:

“**25.** The adjustment of the aliquot share consists in multiplying the aliquot share by the factor determined by the following consecutive operations:

(1) the total formed by the equalization amounts computed in accordance with sections 23 and 23.1 by the neutrality amounts that must be paid in 2010 according to the data available on 1 May 2010 is subtracted from \$50,000,000; and

(2) the difference that results from the subtraction provided for in subparagraph 1 is divided by the total of the aliquot shares that are adjusted.

The quotient resulting from that division and constituting the adjustment factor must contain 11 decimals.”.

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

8126

Gouvernement du Québec

O.C. 367-2007, 23 May 2007

Highway Safety Code
(R.S.Q., c. C-24.2)

Hours of driving and rest of heavy vehicle drivers

Regulation respecting the hours of driving and rest of heavy vehicle drivers

WHEREAS, under sections 519.21.1 and 519.21.2 of the Highway Safety Code (R.S.Q., c. C-24.2), introduced by section 42 of chapter 2 of the Statutes of 2004 and subparagraphs 12, 12.0.1, 12.0.2, 12.1, 12.2, 12.2.1, 12.2.2, 12.4, 39 and 42 of the first paragraph of section 621 of the Code, the Government may make regulations on the matters mentioned therein;

WHEREAS, under sections 10 and 11 of the Regulations Act (R.S.Q., c. R-18.1), a draft of the Regulation respecting the hours of driving and rest of heavy vehicle