

“46.18. Notwithstanding section 46.9, the pension committee shall, no later than 8 July 2013, inform members and beneficiaries who opted to receive a pension paid out of the assets administered by the Régie that they may ask the pension committee to leave their benefits in the pension plan.

The notice sent by the pension committee must describe the proposed changes to the funding rules for a pension plan subject to this Regulation.

Should the members or beneficiaries not make a request to the pension committee, within 15 days after the notice is sent, to have their benefits remain in the pension plan, the members or beneficiaries will be deemed to have confirmed their choice of option.

Notwithstanding section 46.11, the time limit for proceeding to pay the benefits expires on 15 August 2013.

46.19. Notwithstanding section 41, the actuarial valuation report as at 31 December 2012 and the global report at that date shall be sent to the Régie no later than 31 August following the publication of this Regulation in the *Gazette officielle du Québec*.

The employer shall, until the actuarial valuation report as at 31 December 2012 and the global report at that date have been sent to the Régie, continue to pay the monthly amounts set out under subparagraph 1 of the second paragraph of section 10.

Where the monthly payments so paid are less than what should have been paid in accordance with subparagraph 2 of the second paragraph of section 10, the first monthly amount payable after the transmission of the reports to the Régie shall be increased by the difference between the monthly amounts paid and the amounts that should have been paid according to the reports, plus the interest provided for in section 48.”

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

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Gouvernement du Québec

O.C. 701-2013, 19 June 2013

Tax Administration Act
(chapter A-6.002)

Various regulations of a fiscal nature — Amendment

Regulations to amend various regulations of a fiscal nature

WHEREAS, under section 96 of the Tax Administration Act (chapter A-6.002), the Government may make regulations, in particular to prescribe the measures required to carry out the Act and to exempt from the duties provided for by a fiscal law, under the conditions which it prescribes, the prescribed international organizations, their head officers and their employees and the members of their families;

WHEREAS, under section 96.1 of the Tax Administration Act, the Government may set, by regulation, the tariff of fees payable by users of the service offered by the Agence du revenu du Québec with respect to advance rulings or paid advice;

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

WHEREAS, under paragraph *a* of section 81 of the Act respecting the Québec Pension Plan (chapter R-9), the Government may make regulations to prescribing anything that is to be prescribed, in particular under Title III of the Act;

WHEREAS, under the first paragraph of section 677 of the Act respecting the Québec sales tax (chapter T-0.1), the Government may make regulations to prescribe the measures required for the purposes of the Act;

WHEREAS it is expedient to amend the Regulation respecting fiscal administration (chapter A-6.002, r. 1) so that a tax refund owing to a person may be allocated to the payment of an amount owed by that person under the Environment Quality Act (chapter Q-2), to determine the corporations required to send their fiscal return by way of electronic filing, and to reflect a change that have occurred in the administrative structure of the Agence du revenu du Québec;

WHEREAS it is expedient to amend the Regulation respecting tax exemptions granted to certain international non-governmental organizations and to certain employees of such organizations and to members of their families (chapter A-6.002, r. 4) to delete the International Organization of Securities Commissions (IOSCO) as such an organization, pursuant to the Protocol to terminate the agreement between the Gouvernement du Québec and that organization that came into force on 17 September 2012;

WHEREAS it is expedient to amend the Regulation respecting the fees for users of the advance rulings and written opinions service of the Direction générale de la législation, des enquêtes et du registraire des entreprises of the Agence du revenu du Québec (chapter A-6.002, r. 4.1) to reflect a change that have occurred in the administrative structure of the Agence du revenu du Québec;

WHEREAS it is expedient to amend the Regulation respecting the Taxation Act (chapter I-3, r. 1), the Regulation respecting contributions to the Québec Pension Plan (chapter R-9, r. 2) and the Regulation respecting the Québec sales tax (chapter T-0.1, r. 2) primarily to give effect to the fiscal measures announced by the Minister of Finance in the Budget Speech of 30 March 2010, 17 March 2011 and 20 March 2012 and in Information Bulletins published, in particular on 6 July 2011, 21 December 2011, 13 January 2012, 31 May 2012, 6 July 2012 and 31 January 2013 as well as to the legislative amendments made to the Tax Administration Act, the Taxation Act and the Act respecting Québec sales tax by chapter 25 of the statutes of 2010, chapters 6 and 34 of the statutes of 2011 and chapters 8 and 28 of the statutes of 2012;

WHEREAS it is expedient to amend the Regulation respecting the Taxation Act so that only one copy of an information return is sent to the person concerned by the return;

WHEREAS it is expedient, with a view to more efficient application of the Tax Administration Act, the Taxation Act and the Act respecting the Québec sales tax, to amend the Regulation respecting fiscal administration, the Regulation respecting the Taxation Act and the Regulation respecting the Québec sales tax to make technical, terminological and consequential amendments;

WHEREAS, under section 12 of the Regulations Act (chapter R-18.1), a proposed regulation may be made without having been published as provided for in section 8 of the Act, if the authority making it is of the opinion that the fiscal nature of the norms established, amended or revoked in the regulation warrants it;

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

WHEREAS the Government is of the opinion that the fiscal nature of the norms established, amended or revoked by the regulations attached to this Order in Council warrants the absence of prior publication and such coming into force;

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

WHEREAS, under section 97 of the Tax Administration Act, every regulation made under the Act comes into force on the date of its publication in the *Gazette officielle du Québec* or on any later date fixed therein; such a regulation may also, if it so provides, apply to a period prior to its publication;

WHEREAS, under the second paragraph of section 1086 of the Taxation Act, the regulations made under the Act come into force on the date of their publication in the *Gazette officielle du Québec* or on any later date fixed therein and they may also, once published and if they so provide, apply to a period prior to their publication, but not prior to the taxation year 1972;

WHEREAS, under section 82.1 of the Act respecting the Québec Pension Plan, every regulation made under Title III of the Act comes into force on the date of its publication in the *Gazette officielle du Québec* or on any later date fixed therein and may, once published and where it so provides, take effect from a date prior to its publication but not prior to the date from which the legislation under which it is made takes effect;

WHEREAS, under the second paragraph of section 677 of the Act respecting the Québec sales tax, a regulation made under the Act comes into force on the date of its publication in the *Gazette officielle du Québec*, unless the regulation fixes another date which may in no case be prior to 1 July 1992;

IT IS ORDERED, therefore, on the recommendation of the Minister of Finance and the Economy:

THAT the regulations attached to this Order in Council be made:

—Regulation to amend the Regulation respecting fiscal administration;

—Regulation to amend the Regulation respecting tax exemptions granted to certain international non-governmental organizations and to certain employees of such organizations and to members of their families;

—Regulation to amend the Regulation respecting the fees for users of the advance rulings and written opinions service of the Direction générale de la législation, des enquêtes et du registraire des entreprises of the Agence du revenu du Québec;

—Regulation to amend the Regulation respecting the Taxation Act;

—Regulation to amend the Regulation respecting contributions to the Québec Pension Plan;

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

JEAN ST-GELAIS,
Clerk of the Conseil exécutif

Regulation to amend the Regulation respecting fiscal administration

Tax Administration Act
(chapter A-6.002, s. 96, 1st par. and s. 97)

1. Section 31R1 of the Regulation respecting fiscal administration (chapter A-6.002, r. 1) is amended by inserting the following after subparagraph *f* of the first paragraph:

“(g) the Environment Quality Act (chapter Q-2).”

2. Section 31R2 of the Regulation is replaced by the following:

“**31R2.** For the purposes of the allocation, the Minister receives, from each Minister or body responsible for the application or the administration of an Act referred to in section 31R1, the information listed in the second or third paragraph, as the case may be, concerning a person indebted under that Act.

Where the debtor is a natural person, the information referred to in the first paragraph is the following:

(a) the person’s name;

(b) the person’s address;

(c) the person’s date of birth;

(d) the person’s Social Insurance Number;

(e) the Québec business number assigned to the person under the Act respecting the legal publicity of enterprises (chapter P-44.1), where applicable; and

(f) the amount of the person’s debt.

Where the debtor is a person other than a natural person, the information referred to in the first paragraph is the following:

(a) the person’s name;

(b) the address of the person’s head office or principal establishment;

(c) the person’s identification number assigned by the Minister, where applicable;

(d) the Québec business number assigned to the person under the Act respecting the legal publicity of enterprises, where applicable; and

(e) the amount of the person’s debt.”

3. Section 31R4 of the Regulation is replaced by the following:

“**31R4.** After the allocation provided for in section 31R3, the Minister sends to each Minister or body concerned the information listed in the second or third paragraph, as the case may be, concerning the debtor.

Where the debtor is a natural person, the information referred to in the first paragraph is the following:

(a) the information under subparagraphs *a* to *e* of the second paragraph of section 31R2; and

(b) the amount allocated to the debt.

Where the debtor is a person other than a natural person, the information referred to in the first paragraph is the following:

(a) the information under subparagraphs *a* to *d* of the third paragraph of section 31R2; and

(b) the amount allocated to the debt.”

4. (1) The Regulation is amended by inserting the following before section 37.1.3R1:

“**37.1.2R1.** For the purposes of section 37.1.2 of the Act, a prescribed corporation for a taxation year means any corporation whose gross revenue, within the meaning of section 1 of the Taxation Act (chapter I-3), for that year exceeds \$1,000,000, except

(a) an insurance corporation within the meaning of section 1 of the Taxation Act;

(b) a corporation not resident in Canada;

(c) a corporation reporting in elected functional currency within the meaning of section 21.4.16 of the Taxation Act; and

(d) a corporation that is exempt under Title I of Book VIII of Part I of the Taxation Act from tax payable.

For the purposes of the first paragraph, a corporation is considered to be a corporation resident in Canada if it is considered to reside there for the purposes of the Taxation Act and to be a corporation not resident in Canada in all other cases.”

(2) Subsection 1 applies to taxation years that end after 31 May 2010.

5. (1) Section 40.1.1R1 of the Regulation is replaced by the following:

“**40.1.1R1.** For the purposes of section 40.1.1 of the Act, a financial management officer, a socioeconomic research and planning officer or a computer and administrative processes analyst who is governed by the collective labour agreement for professionals and who carries out duties at the Direction générale des enquêtes et des poursuites pénales within the Agency is authorized to lay an information in writing and under oath.”

(2) Subsection 1 has effect from 26 November 2012, except that where section 40.1.1R1 of the Regulation applies before 26 February 2013, it is to be read with the word “associée” inserted after the words “Direction générale”.

6. (1) Section 40.3R2 of the Regulation is replaced by the following:

“**40.3R2.** For the purposes of section 40.3 of the Act, the general director of investigations and public prosecutions, a senior director or a director who carries out duties at the Direction générale des enquêtes et des poursuites pénales within the Agency is authorized to keep the deposits paid under that section. Those deposits are paid into a trust account opened in a financial institution for that purpose by that person.”

(2) Subsection 1 has effect from 26 November 2012, except that where section 40.3R2 of the Regulation applies before 26 February 2013, it is to be read with the words “general director” and “Direction générale” replaced respectively by the words “associate general director” and “Direction générale associée”.

7. (1) Section 69.0.0.12R1 of the Regulation is replaced by the following:

“**69.0.0.12R1.** For the purposes of section 69.0.0.12 of the Act, the general director of investigations and public prosecutions, a senior director or a director who carries out duties at the Direction générale des enquêtes et des poursuites pénales within the Agency is authorized to communicate information contained in a tax file to a member of a police force, to a department or to a public body.”

(2) Subsection 1 has effect from 26 November 2012, except that where section 69.0.0.12R1 of the Regulation applies

(1) before 26 February 2013, it is to be read with the words “general director” and “Direction générale” replaced respectively by the words “associate general director” and “Direction générale associée”; and

(2) before 5 June 2013, it is to be read without reference to “, to a department or to a public body”.

8. (1) Section 96R14.1 of the Regulation is amended by striking out the definition of “person of Indian descent”.

(2) Subsection 1 has effect from 24 March 2006.

9. (1) Section 96R14.2 of the Regulation is amended by striking out “or a person of Indian descent”.

(2) Subsection 1 applies in respect of supplies acquired after 23 March 2006.

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

Regulation to amend the Regulation respecting tax exemptions granted to certain international non-governmental organizations and to certain employees of such organizations and to members of their families

Tax Administration Act
(chapter A-6.002, s. 96, 1st par., subpar. *b* and s. 97)

1. (1) Schedule A to the Regulation to amend the Regulation respecting tax exemptions granted to certain international non-governmental organizations and to certain employees of such organizations and to members of their families (chapter A-6.002, r. 4) is amended by striking out “International Organization of Securities Commissions (IOSCO);”.

(2) Subsection 1 has effect from 17 September 2012.

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

Regulation to amend the Regulation respecting the fees for users of the advance rulings and written opinions service of the Direction générale de la législation, des enquêtes et du registraire des entreprises of the Agence du revenu du Québec

Tax Administration Act
(chapter A-6.002, s. 96.1)

1. The title of the Regulation respecting the fees for users of the advance rulings and written opinions service of the Direction générale de la législation, des enquêtes et du registraire des entreprises of the Agence du revenu du Québec (chapter A-6.002, r. 4.1) is replaced by the following:

“Regulation respecting the fees for users of the advance rulings and written opinions service of the Direction générale de la législation et du registraire des entreprises of the Agence du revenu du Québec”.

2. Section 1 of the Regulation is revoked.

3. Section 2 of the Regulation is amended by replacing the first paragraph by the following:

“**2.** The Agency is authorized to collect from any person who requests an advance ruling from the Direction générale de la législation et du registraire des entreprises, fees amounting to \$107 for every hour or part of an hour required to prepare that ruling.”.

4. Section 3 of the Regulation is amended by replacing the first paragraph by the following:

“**3.** Subject to section 4, the Agency is also authorized to collect from any person who requests a written opinion from the Direction générale de la législation et du registraire des entreprises that is intrinsically in the nature of an opinion that could be obtained from the private sector, fees amounting to \$107 for every hour or part of an hour required to prepare that written opinion.”.

5. Section 4 of the Regulation is amended by replacing the portion before paragraph *a* by the following:

“**4.** Except where a taxpayer in whose name a request for a written opinion is made gives written authorization to the Agency to collect fees for preparing a written opinion, the Agency is not authorized to collect such fees, where”.

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

Regulation to amend the Regulation respecting the Taxation Act

Taxation Act
(chapter I-3, s. 1086, 1st par., subpar. *f* and 2nd par.)

1. (1) Section 1R6 of the Regulation respecting the Taxation Act (chapter I-3, r. 1) is amended by replacing paragraph *a* by the following:

“(a) it is controlled, within the meaning of subparagraph *b* of the first paragraph of section 739 of the Act, but otherwise than by reason of a right referred to in paragraph *b* of section 20 of the Act, by the other corporation; or”.

(2) Subsection 1 has effect from 22 March 2011.

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

“(a) 27 cents, except where paragraph *b* applies; and

“(b) 24 cents if the individual referred to in that section 41.1.1 is engaged principally in selling or leasing automobiles and an automobile is made available in the year to the individual or a person related to the individual by the individual’s employer or a person related to the employer.”.

(2) Subsection 1 applies from the taxation year 2013. In addition, where paragraphs *a* and *b* of section 41.1.1R1 of the Regulation apply to the taxation year 2012, the

reference in paragraph *a* to the figure “24” is to be read as a reference to “26” and the reference to figure “21” in paragraph *b* is to be read as a reference to “23”.

3. (1) Section 87R5 of the Regulation is amended

(1) in the French text by replacing “pour le bénéfice” in subparagraphs *ii* and *iii* of paragraph *d* by “au bénéfice”;

(2) by adding the following after paragraph *f*:

“(g) an amount that may be forgiven in respect of a student loan under section 11.1 of the Canada Student Loans Act (Revised Statutes of Canada, 1985, chapter S-23) or section 9.2 of the Canada Student Financial Assistance Act (Statutes of Canada, 1994, chapter 28).”

(2) Paragraph 2 of subsection 1 has effect from 1 January 2013.

4. Section 92.5R3 of the Regulation is amended in the French text by replacing the portion before subparagraph *a* of the first paragraph by the following:

“**92.5R3.** Pour l’application de l’article 92.5 de la Loi, une créance prescrite est une créance, autre qu’un titre de créance indexé, dont un intérêt dans celle-ci est acquis par un contribuable et à l’égard de laquelle l’une des conditions suivantes est remplie:”

5. Section 92.11R1 of the Regulation is amended in the French text by replacing the definition of “prestation de décès” by the following:

““prestation de décès” ne comprend pas une participation de police ou l’intérêt sur celle-ci, laissé en dépôt auprès d’un assureur, ni un montant à payer supplémentaire par suite d’un décès par accident;”

6. Section 92.11R3 of the Regulation is amended in the French text by replacing “pour le bénéfice” in paragraph *c* by “au bénéfice”.

7. (1) Section 130R15 of the Regulation is amended by replacing the definition of “thermal waste” by the following:

““thermal waste” means waste heat energy extracted from a distinct point of rejection in an industrial process that would otherwise

(*a*) be vented to the atmosphere or transferred to a liquid; and

(*b*) not be used for a useful purpose;”

(2) Subsection 1 applies in respect of property acquired after 21 March 2011.

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

“(a) the product obtained by multiplying \$0.54 by the number of those kilometres, up to and including 5,000;

“(b) the product obtained by multiplying \$0.48 by the number of those kilometres in excess of 5,000; and”

(2) Subsection 1 applies in respect of kilometres driven after 31 December 2012. In addition, where paragraphs *a* and *b* of section 133.2.1R1 of the Regulation apply in respect of the number of kilometres driven after 31 December 2011 and before 1 January 2013, they are to be read with “\$0.52” in paragraph *a* replaced by “\$0.53”, and “\$0.46” in paragraph *b* replaced by “\$0.47”.

9. (1) Section 152R1 of the Regulation is amended

(1) by inserting the following definition after the definition of “reinsurance commission”:

““reinsurance recoverable amount” has the meaning assigned by section 840R1;”

(2) by inserting the following definition after the definition of “claim liability”:

““deposit accounting insurance policy” has the meaning assigned by subparagraph *p* of the first paragraph of section 835 of the Act;”

(2) Subsection 1 applies to taxation years that begin after 31 December 2010.

10. (1) Section 152R4 of the Regulation is amended by replacing the first paragraph by the following:

“**152R4.** Any amount determined under this chapter is determined net of relevant reinsurance recoverable amounts and without reference to any amount in respect of a deposit accounting insurance policy.”

(2) Subsection 1 applies to taxation years that begin after 31 December 2010.

11. (1) The Regulation is amended by inserting the following after section 157.3R2:

“**157.5R1.** For the purposes of section 157.5 of the Act, “prescribed annuity contract” has the meaning assigned by sections 92.11R14 to 92.11R19.”

(2) Subsection 1 has effect from 19 February 2011.

12. (1) Section 257R1 of the Regulation is replaced by the following:

“**257R1.** Assistance referred to in subparagraph *i* of paragraph *d* of section 257 of the Act does not include assistance that would be described in section 101R2 if that section applied to any capital property and also covered a deduction allowed under any of sections 773, 774 and 965.33 of the Act, section 208 or 209 of the Act respecting the sociétés d’entraide économique (chapter S-25.1), as they read before their repeal, and any of sections 125, 127 and 130 of the Act respecting certain caisses d’entraide économique (chapter C-3.1), as they read before their repeal, or assistance that a taxpayer has received or is entitled to receive and that is prescribed assistance under section 241.0.1R2, or that would be prescribed assistance under that section if that section applied in respect of, or for the acquisition of, a share of the capital stock of a corporation that is registered under the Act respecting Québec business investment companies (chapter S-29.1).”

(2) Subsection 1 has effect from 30 November 2011.

13. Section 336R1 of the Regulation is amended by replacing the definition of “anniversary of taxation” by the following:

““tax anniversary date” in respect of an annuity contract means the day of the second anniversary of the contract occurring after 22 October 1968;”

14. Section 360R2 of the Regulation is amended by striking out the definition of “disposition of property”.

15. (1) Section 578.2R1 of the Regulation is amended by adding the following after paragraph *b*:

“(c) the distribution by Electrolux AB on 12 June 2006 of shares of Husqvarna AB.”

(2) Subsection 1 has effect from 12 June 2006.

16. Section 686R1 of the Regulation is amended in the French text by replacing “pour le bénéfice” in paragraphs *a* and *b* by “au bénéfice”.

17. (1) Chapter II of Title XXV of the Regulation, comprising section 710R1, is revoked.

(2) Subsection 1 has effect from 1 January 2012.

18. (1) The heading of Chapter III of Title XXV of the Regulation is replaced by the following:

“GIFTS”.

(2) Subsection 1 has effect from 23 March 2011.

19. (1) Section 712R1 of the Regulation is amended

(1) by replacing the definition of “donee” by the following:

““donee” means a person or an entity referred to in section 716R1, in subparagraph 2 of subparagraph *i* of paragraph *c* of section 710 of the Act, in paragraph *d* or *e* of that section 710 or in any of paragraphs *a* and *h* to *j* of the definition of “qualified donee” in section 999.2 of the Act;”

(2) by replacing the definition of “particular person” by the following:

““particular person” means a person or an entity referred to in any of subparagraphs *i*, *iv* and *v* of paragraph *a* of the definition of “qualified donee” in subsection 1 of section 149.1 of the Income Tax Act whose registration as a qualified donee has not been revoked by the Minister of Revenue of Canada, or in any of paragraphs *b* to *e* and *g* to *i* of the definition of “qualified donee” in section 999.2 of the Act;”

(2) Subsection 1 has effect from 1 January 2012.

20. (1) The Regulation is amended by inserting the following after section 716R1:

“**716.0.10R1.** The information return required to be filed with the Minister under section 716.0.10 of the Act must contain

(a) a description of the transferred property;

(b) the fair market value of the transferred property at the time of the transfer;

(c) the date on which the property was transferred;

(d) the name and address of the transferee of the property; and

(e) if the transferor of the property or a person not dealing at arm’s length with the transferor issued the receipt referred to in section 712 of the Act, the information contained in that receipt.”

(2) Subsection 1 has effect from 23 March 2011.

21. (1) Section 739R1 of the Regulation is replaced by the following:

“**739R1.** For the purposes of subparagraph *a* of the first paragraph of section 739 of the Act, the prescribed tax is the tax provided for in Part VII of the Income Tax Act (Statutes of Canada, 1970-71-72, chapter 63), as it read on 31 March 1977.”

(2) Subsection 1 has effect from 22 March 2011.

22. (1) Section 752.0.10.1R1 of the Regulation is revoked.

(2) Subsection 1 has effect from 1 January 2012.

23. (1) Section 752.0.10.3R1 of the Regulation is amended

(1) by replacing the definition of “donee” by the following:

““donee” means a person or an entity to which an individual has made a gift, and that is referred to in section 752.0.10.12R1, in the definition of “total cultural gifts” or “total musical instrument gifts” in the first paragraph of section 752.0.10.1 of the Act, in paragraph *b* of the definition of “total gifts of qualified property” in the first paragraph of that section 752.0.10.1 or in any of paragraphs *a* and *h* to *j* of the definition of “qualified donee” in section 999.2 of the Act;”

(2) by replacing the definition of “particular person” by the following:

““particular person” means a person or an entity referred to in any of subparagraphs *i*, *iv* and *v* of paragraph *a* of the definition of “qualified donee” in subsection 1 of section 149.1 of the Income Tax Act (Revised Statutes of Canada, 1985, chapter 1, 5th Supplement) whose registration as a qualified donee has not been revoked by the Minister of Revenue of Canada, or in any of paragraphs *b* to *e* and *g* to *i* of the definition of “qualified donee” in section 999.2 of the Act;”

(2) Subsection 1 has effect from 1 January 2012.

24. (1) The Regulation is amended by inserting the following after section 752.0.10.12R1:

“**752.0.10.25R1.** The information return required to be filed with the Minister under section 752.0.10.25 of the Act must contain

(a) a description of the transferred property;

(b) the fair market value of the transferred property at the time of the transfer;

(c) the date on which the property was transferred;

(d) the name and address of the transferee of the property; and

(e) if the transferor of the property or a person not dealing at arm’s length with the transferor issued the receipt referred to in section 752.0.10.3 of the Act, the information contained in that receipt.”

(2) Subsection 1 has effect from 23 March 2011.

25. (1) Section 752.0.11.1R1 of the Regulation is amended by inserting the following after paragraph *x*:

“(x.1) a blood coagulation monitor, including disposable peripherals, for use by an individual who requires anti-coagulation therapy;”

(2) Subsection 1 applies in respect of expenses incurred after 31 December 2011.

26. Section 771R9 of the Regulation is amended in the French text

(1) by replacing “pour le bénéfice” in the portion before paragraph *a* by “au bénéfice”;

(2) by replacing “pour son bénéfice” in subparagraph *ii* of paragraph *b* by “à son bénéfice”.

27. Section 771R10 of the Regulation is amended in the French text by replacing “pour son bénéfice” in paragraph *a* by “à son bénéfice”.

28. Section 771R11 of the Regulation is amended in the French text by replacing “pour son bénéfice” in paragraphs *a* and *b* by “à son bénéfice”.

29. The Regulation is amended by inserting the following after section 785.1R1:

“TITLE XXXI.1

“PRESCRIBED PAYMENTS

“**786.1R1.** For the purposes of paragraph *b* of section 786.1 of the Act, a payment is prescribed in respect of a taxation year that ends after 22 March 2003 and before 29 October 2008 if it is made by Western Co-operative Fertilizers Limited

(a) after 22 March 2004 and before 31 March 2005, to Saskatchewan Wheat Pool;

(b) after 22 March 2004 and before 1 November 2007, to United Grain Growers Limited;

(c) after 30 March 2005 and before 13 March 2008, to Saskatchewan Wheat Pool Inc.; and

(d) after 12 March 2008 and before 29 October 2008, to Viterra Inc.”

30. (1) Section 818R53 of the Regulation is amended

(1) by replacing the definition of “reinsurance recoverable” by the following:

““reinsurance recoverable” means the aggregate of all amounts each of which is an amount reported as a reinsurance asset of the insurer at the end of a taxation year in respect of an amount recoverable from a reinsurer;”;

(2) by replacing the definitions of “Canadian reserve liabilities”, “weighted Canadian liabilities” and “weighted total liabilities” by the following definitions:

““Canadian reserve liabilities” of an insurer at the end of a taxation year means the amount determined under section 818R53.2;

““weighted Canadian liabilities” of an insurer at the end of a taxation year means the amount determined under section 818R53.1;

““weighted total liabilities” of an insurer at the end of a taxation year means the amount determined under section 818R53.3.”

(2) Subparagraph 1 applies in respect of taxation years that begin after 31 December 2010.

31. (1) The Regulation is amended by inserting the following after section 818R53:

“**818R53.1.** Weighted Canadian liabilities of an insurer at the end of a taxation year means the aggregate of

(a) 300% of the excess amount determined by the following formula:

$A - B$; and

(b) the amount determined by the following formula:

$C - D$.

In the formulas in the first paragraph,

(a) A is the aggregate of all amounts each of which is an amount that is in respect of an insurance business carried on by the insurer in Canada and that is reported as a liability of the insurer at the end of the year, other

than a liability in respect of an amount payable out of a segregated fund, in respect of a life insurance policy in Canada, other than an annuity, or an accident and sickness insurance policy;

(b) B is the aggregate of the insurer’s policy loans at the end of the year, other than policy loans in respect of annuities, and the reinsurance recoverable reported by the insurer at the end of the year relating to its liabilities described in subparagraph a;

(c) C is the aggregate of all amounts each of which an amount in respect of an insurance business carried on by the insurer in Canada that is reported as a liability of the insurer at the end of the year, except to the extent that the amount is

i. in respect of an insurance policy described in subparagraph a,

ii. a liability in respect of an amount payable out of a segregated fund, or

iii. a debt incurred or assumed by the insurer to acquire a property of the insurer; and

(d) D is the aggregate of the insurer’s policy loans in respect of annuities at the end of the year and the reinsurance recoverable, reported by the insurer at the end of the year relating to its liabilities described in subparagraph c.

“**818R53.2.** Canadian reserve liabilities of an insurer at the end of a taxation year means the amount determined by the following formula:

$A - B$.

In the formula in the first paragraph,

(a) A is the total of the insurer’s liabilities and reserves, other than liabilities and reserves in respect of a segregated fund, at the end of the taxation year, in respect of

i. life insurance policies in Canada,

ii. fire insurance policies issued or effected in respect of property situated in Canada, and

iii. insurance policies of any other class covering risks ordinarily within Canada at the time the policy was issued or effected; and

(b) B is the aggregate of the reinsurance recoverable reported as a reinsurance asset by the insurer at the end of the year relating to its liabilities and reserves described in subparagraph a.

“**818R53.3.** Weighted total liabilities of an insurer at the end of a taxation year means the aggregate of

(a) 300% of the excess amount determined by the following formula:

A – B; and

(b) the amount determined by the following formula:

C – D.

In the formulas in the first paragraph,

(a) A is the aggregate of all amounts each of which is an amount that is in respect of an insurance business carried on by the insurer and that is reported as a liability of the insurer, other than a liability in respect of an amount payable out of a segregated fund, in respect of a life insurance policy, other than an annuity, or an accident and sickness insurance policy;

(b) B is the aggregate of the insurer’s policy loans and foreign policy loans at the end of the year, other than policy loans and foreign policy loans in respect of annuities, and the reinsurance recoverable reported by the insurer at the end of the year relating to its liabilities described in subparagraph *a*;

(c) C is the aggregate of all amounts each of which an amount in respect of an insurance business carried on by the insurer and that is reported as a liability of the insurer at the end of the year, except to the extent that the amount is

i. in respect of an insurance policy described in subparagraph *a*,

ii. a liability in respect of an amount payable out of a segregated fund, or

iii. a debt incurred or assumed by the insurer to acquire a property of the insurer; and

(d) D is the aggregate of the insurer’s policy loans and foreign policy loans in respect of annuities at the end of the year and the reinsurance recoverable reported by the insurer at the end of the year relating to its liabilities described in subparagraph *c*.”

(2) Subsection 1 applies to taxation years that begin after 31 December 2010.

32. (1) Section 818R55 of the Regulation is amended by replacing subparagraph *b* of the second paragraph by the following:

“(b) B is the amount of the insurer’s Canadian outstanding premiums and policy loans at the end of the year, to the extent that the Canadian outstanding premiums and the amount of policy loans are in respect of policies referred to in subparagraphs i to iii of subparagraph *a* of the second paragraph of section 818R53.2 and were not otherwise deducted in computing the amount of the insurer’s Canadian reserve liabilities at the end of the year.”

(2) Subsection 1 applies to taxation years that begin after 31 December 2010.

33. (1) Section 818R57 of the Regulation is amended by replacing subparagraph i of paragraph *a* by the following:

“i. the total of the insurer’s Canadian outstanding premiums and policy loans at the end of the year, to the extent that each of those amounts is in respect of policies referred to in subparagraphs i to iii of subparagraph *a* of the second paragraph of section 818R53.2 and was not otherwise deducted in computing the amount of the insurer’s Canadian reserve liabilities at the end of the year, and”

(2) Subsection 1 applies to taxation years that begin after 31 December 2010.

34. (1) Section 818R60 of the Regulation is amended by replacing paragraph *a* by the following:

“(a) the amount by which the insurer’s mean Canadian reserve liabilities for the year exceeds 50% of the aggregate of its premiums receivable and deferred acquisition expenses at the end of the year and its premiums receivable and deferred acquisition expenses at the end of its preceding taxation year, to the extent that those amounts were included in the insurer’s Canadian reserve liabilities for the year or the preceding taxation year, as the case may be, in respect of the insurer’s business in Canada; and”

(2) Subsection 1 applies to taxation years that begin after 31 December 2010.

35. (1) Section 818R77 of the Regulation is amended by replacing subparagraph i of paragraph *b* by the following:

“i. goodwill;”

(2) Subsection 1 applies to taxation years that begin after 12 October 2011. In addition, it applies from the taxation year 2005 in respect of a taxpayer who has made a valid election for the purposes of the Income Tax Regulations made under the Income Tax Act (Revised Statutes of Canada, 1985, chapter 1, 5th Supplement)

under subsection 29(8) of the Regulations Amending the Income Tax Regulations (SOR 2011-188, (2011) 145 Can. Gaz. Part II, 1852), and Chapter V.2 of Title II of Book I of the Taxation Act (chapter I-3) applies in respect of that election.

36. (1) The Regulation is amended by inserting the following after section 818R78.1:

“**818R78.2.** A computation that is required to be made under this Title in respect of an insurer’s taxation year that included 31 December 2010 and that is relevant to a computation, in this section referred to as the “transition year computation”, that is required to be made under this Title in respect of the insurer’s first taxation year that begins after that date is, for the purposes only of the transition year computation, to be made using the same definitions, rules and methodologies that are used in the transition year computation.”

(2) Subsection 1 applies to taxation years that begin after 31 December 2010.

37. (1) Section 818R81 of the Regulation is amended by replacing paragraphs *b* and *c* by the following:

“(b) the insurer or, as the case may be, the Minister must designate for a taxation year investment property of the insurer for the year with a total value for the year equal to the amount by which the insurer’s mean Canadian reserve liabilities for the year in respect of its accident and sickness insurance business exceeds the insurer’s mean Canadian outstanding premiums for the year in respect of that business;

“(c) the insurer or, as the case may be, the Minister must designate for a taxation year investment property of the insurer for the year with a total value for the year equal to the amount by which the insurer’s mean Canadian reserve liabilities for the year in respect of its insurance business in Canada, other than a life insurance business or an accident and sickness insurance business, exceeds 50% of the aggregate of all amounts each of which is the amount, at the end of the year or at the end of its preceding taxation year, of a premium receivable or a deferred acquisition expense of the insurer in respect of that business, to the extent that the amount is included in the insurer’s Canadian reserve liabilities at the end of the year or at the end of the preceding taxation year, as the case may be; and”.

(2) Subsection 1 applies to taxation years that begin after 31 December 2010.

38. (1) Section 840R1 of the Regulation is amended

(1) by inserting the following definition after the definition of “qualified annuity”:

““reinsurance recoverable amount” means the amount reported as a reinsurance asset of an insurer at the end of a taxation year in respect of an amount recoverable from a reinsurer;”;

(2) by inserting the following definition after the definition of “cash surrender value”:

““deposit accounting insurance policy” has the meaning assigned by subparagraph *p* of the first paragraph of section 835 of the Act;”.

(2) Subsection 1 applies to taxation years that begin after 31 December 2010.

39. (1) The Regulation is amended by inserting the following after section 840R8:

“**840R8.1.** For the purposes of this chapter, any reference to an amount or item reported as an asset or a liability of an insurer at the end of a taxation year is a reference,

(a) if reporting by the insurer to the relevant authority is required at the end of the year, to the amount or item that is reported, at the end of the year, as an asset or a liability in the insurer’s non-consolidated balance sheet accepted by the relevant authority; and

(b) in any other case, to the amount or item that is reported, at the end of the year, as an asset or a liability in the insurer’s non-consolidated balance sheet that is prepared in a manner consistent with the requirements that would have applied had reporting to the relevant authority been required at the end of the year.”.

(2) Subsection 1 applies to taxation years that begin after 31 December 2010.

40. (1) Section 840R11 of the Regulation is replaced by the following:

“**840R11.** Any amount determined under this chapter is determined net of relevant reinsurance recoverable amounts.”.

(2) Subsection 1 applies to taxation years that begin after 31 December 2010.

41. (1) Section 840R12 of the Regulation is amended by adding the following after paragraph *b*:

“(c) in the case of sections 840R10 and 840R16, those amounts are determined without reference to any amount in respect of a deposit accounting insurance policy.”.

(2) Subsection 1 applies to taxation years that begin after 31 December 2010.

42. Section 840R13 of the Regulation is amended in the French text by replacing “pour le bénéfice” in paragraphs *a* and *b* by “au bénéfice”.

43. Section 840R22 of the Regulation is amended in the French text by replacing “pour le bénéfice” in paragraphs *a* and *b* by “au bénéfice”.

44. Section 840R23 of the Regulation is amended in the French text by replacing paragraph *b* by the following:

“*b*) dans le cas d’une prestation prévue en remplacement d’un règlement en espèces lors de l’expiration ou de l’échéance d’une police ou en acquittement d’une participation de police, les taux que l’assureur a utilisés dans le calcul du montant de cette prestation;”.

45. Section 840R36 of the Regulation is amended in the French text by replacing “pour le bénéfice” in subparagraph *e* of the second paragraph by “au bénéfice”.

46. (1) The Regulation is amended by inserting the following after section 862R1:

“**CHAPTER I.1**
“EMPLOYEE LIFE AND HEALTH TRUSTS

“**869.2R1.** For the purposes of subparagraph iii of paragraph *g* of section 869.2 of the Act, a prescribed payment is a payment referred to in section 9500 of the Income Tax Regulations made under the Income Tax Act (Revised Statutes of Canada, 1985, chapter 1, 5th Supplement).”.

(2) Subsection 1 has effect from 1 January 2010.

47. (1) Section 895R1 of the Regulation is amended by replacing subparagraph ii of paragraph *a* by the following:

“ii. an educational institution outside Canada providing post-secondary education and that is

(1) a university, college or other institution, at which a beneficiary, within the meaning of section 890.15 of the Act, was enrolled in a course of not less than 13 consecutive weeks duration, or

(2) a university at which a beneficiary, within the meaning of section 890.15 of the Act, was enrolled full-time in a course of not less than 3 consecutive weeks duration;”.

(2) Subsection 1 applies in respect of educational assistance payments made after 31 December 2010.

48. (1) Sections 966R2 and 966R3 of the Regulation are replaced by the following:

“**966R2.** For the purposes of section 966 of the Act, a life annuity contract means a contract between an individual and a person licensed or otherwise authorized by the laws of Canada or of a province to carry on in Canada an annuities business under which that person agrees to make annuity payments to one person or partnership, referred to in this section and in sections 966R3 and 966R4 as “annuitant”, or jointly to two or more annuitants.

“**966R3.** To qualify as a life annuity contract, the contract must specify that the annuity payments covered by section 966R2 will begin on a specific date and will be paid annually or at more frequent periodic intervals to the annuitant throughout the lifetimes of one or more individuals, each of whom is referred to in section 966R4 as “identified individual”.”.

(2) Subsection 1 applies to taxation years that end after 31 December 1996. In addition, for those taxation years, the adjusted cost basis of a policy holder’s interest in a life insurance policy is to be determined as if subsection 1 applied to taxation years that begin after 31 December 1980.

49. (1) Section 966R4 of the Regulation is amended by replacing paragraphs *b* to *d* by the following:

“(b) the annuity payments will end after a specified period of not less than 10 years or, if the identified individual dies before the end of that period, on the identified individual’s death;

“(c) the annuity payments will be paid to the annuitant throughout the lifetime of the identified individual or for a longer guaranteed time and, in the latter case, the payments will be made to a specified person;

“(d) an additional payment will be made on the death of the identified individual;”.

(2) Subsection 1 applies to taxation years that end after 31 December 1996. In addition, for those taxation years, the adjusted cost basis of a policy holder’s interest in a life insurance policy is to be determined as if subsection 1 applied to taxation years that begin after 31 December 1980.

50. (1) The heading of Chapter II of Title XXXVI of the Regulation is replaced by the following:

“DISBURSEMENT QUOTA”.

(2) Subsection 1 applies to taxation years that end after 3 March 2010.

51. (1) Section 985.9R1 of the Regulation is revoked.

(2) Subsection 1 applies to taxation years that end after 3 March 2010.

52. (1) Section 985.9R2 of the Regulation is amended

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

“**985.9R2.** The amount referred to in subparagraph *i* of subparagraph *b* of the second paragraph of section 985.9 of the Act is determined, for a taxation year of a registered charity, in accordance with the following rules:

(*a*) the registered charity chooses a number, not less than 2 nor more than 8, of equal and consecutive periods that total 24 months and that end immediately before the beginning of the year;

(*b*) for each period chosen in accordance with subparagraph *a*, it adds together all the amounts each of which is the value, determined in accordance with section 985.9R3, of property or a portion thereof owned by the registered charity and not directly used in charitable activities or in administration on the last day of that period;

(*c*) it adds together all the amounts each of which is the result of the addition under subparagraph *b* for a period chosen in accordance with subparagraph *a*; and

(*d*) it divides the amount obtained under subparagraph *c* by the number of periods chosen under subparagraph *a*.”;

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

“(*a*) the number of periods chosen by a registered charity for a taxation year under subparagraph *a* of the first paragraph or, in the case of a charitable foundation, under that subparagraph *a* or subparagraph *a* of the first paragraph of section 985.9.2R2, as it applied for the taxation year, as the case may be, must, unless otherwise authorized by the Minister, be used for that taxation year and for all subsequent taxation years; and

“(*b*) a registered charity is deemed to have existed on the last day of each of the periods chosen by it.”;

(3) by replacing the third paragraph by the following:

“A registered charity that is a charitable foundation may, for its first taxation year that begins after 31 December 1986, change the number of periods chosen previously under subparagraph *a* of the first paragraph of section 985.9.2R2, as it applied at that time, as the case may be, and the new number must, unless otherwise authorized by the Minister, be used for that taxation year and for all subsequent taxation years.”.

(2) Subsection 1 applies to taxation years that end after 3 March 2010.

53. (1) Section 985.9R3 of the Regulation is amended in the first paragraph

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

“**985.9R3.** For the purposes of the first paragraph of section 985.9R2, the value of property or a portion thereof owned by a registered charity and not directly used in charitable activities or in administration on the last day of a period must be determined as of that day and be equal to,

(*a*) in the case of a non-qualified investment, within the meaning of subsection 1 of section 149.1 of the Income Tax Act (Revised Statutes of Canada, 1985, chapter 1, 5th Supplement), of a private foundation, its fair market value on that day or its cost amount to the private foundation, whichever is greater.”;

(2) by replacing subparagraph *iii* of subparagraph *b* by the following:

“*iii.* an interest in immovable property, the fair market value of that interest on that day, less the amount of any debt bearing a reasonable rate of interest incurred by the registered charity in respect of the acquisition of that interest and secured by the immovable property or the interest therein.”;

(3) by replacing subparagraph *v* of subparagraph *b* by the following:

“*v.* an interest in property where the registered charity does not have the present use or enjoyment of the interest, nil.”;

(4) by replacing subparagraph *c* by the following:

“(c) in the case of property described in subparagraph *b* that is either property owned in connection with the charitable activities of the registered charity and is a share of a limited-dividend housing company referred to in paragraph *c* of section 998 of the Act or a debt arising from a loan, or property that has ceased to be used for charitable purposes and is being held pending disposition or pending use for charitable purposes, or property that has been acquired for use for charitable purposes, the lesser of the fair market value of the property on that day and the amount determined in accordance with the following formula:

$$(A / 0.035) \times (12 / B).”$$

(2) Subsection 1 applies to taxation years that end after 3 March 2010.

54. (1) The Regulation is amended by inserting the following after section 985.9R3:

“**985.9R4.** Sections 985.9R2 and 985.9R3 apply to a registered museum, a registered cultural or communications organization or a recognized political education organization, as the case may be, as if it were a charity registered as a charitable organization.”

(2) Subsection 1 applies to taxation years that end after 3 March 2010.

55. (1) Section 998R1 of the Regulation is amended by inserting the following after paragraph *d*:

“(d.1) the Public Sector Pension Investment Board;”

(2) Subsection 1 has effect from 1 October 2003.

56. (1) Section 1015R1 of the Regulation is amended by adding the following definition after the definition of “remuneration”:

““tax credit for experienced workers” in respect of a taxation year means the product obtained by multiplying 5 by the amount that may be deducted in computing the employee’s income otherwise payable for the year under section 752.0.10.0.3 of the Act, according to the information indicated in the employee’s last return referred to in section 1015.3 of the Act furnished by the employee to the employer.”

(2) Subsection 1 applies from the taxation year 2012.

57. (1) Section 1015R10 of the Regulation is replaced by the following:

“**1015R10.** The amount that an employer is required to deduct or withhold under the Act from any payment of remuneration made to an employee is equal to the amount determined in accordance with the tables drawn up by the Minister under section 1015 of the Act, having regard to the amount of the remuneration paid to the employee, the length of the pay period, the amount of the employee’s personal tax credits and the amount of the employee’s tax credit for experienced workers.”

(2) Subsection 1 applies from the taxation year 2012.

58. (1) Section 1015R24 of the Regulation is amended by replacing subparagraph *a* of the first paragraph by the following:

“(a) the product obtained by multiplying the aggregate of the employee’s personal tax credits and the amount of the employee’s tax credit for experienced workers in respect of the year, as shown in the return, by the quotient obtained by dividing the percentage referred to in section 750.1 of the Act for the year by the rate provided for in paragraph *a* of section 750 of the Act; and”

(2) Subsection 1 applies from the taxation year 2012.

59. (1) Section 1029.8.1R1 of the Regulation is amended

(1) by striking out subparagraph iii of paragraph *a*;

(2) by adding the following after subparagraph ii of paragraph *e*:

“iii. the Aerospace Manufacturing Technology Centre (AMTC);”

(3) by adding the following after paragraph *j*:

“(k) the Institut national de santé publique du Québec.”

(2) Subsection 1 applies in respect of scientific research and experimental development conducted after 31 December 2011 pursuant to an eligible research contract entered into after that date.

60. (1) Section 1029.8.1R2 of the Regulation is amended

(1) by adding the following after subparagraph ii of paragraph *f*:

“iii. its Centre collégial de transfert de technologie en télécommunications (C2T3);”

(2) by inserting the following after subparagraph *i*:

“(i.1) the Centre des technologies de l’eau;”.

(2) Paragraph 1 of subsection 1 applies in respect of scientific research and experimental development conducted after 31 December 2008 pursuant to an eligible research contract entered into after that date.

(3) Paragraph 2 of subsection 1 applies in respect of scientific research and experimental development conducted after 31 December 2009 pursuant to an eligible research contract entered into after that date.

61. (1) Section 1029.8.21.17R1 of the Regulation is amended

(1) by adding the following after subparagraph ii of paragraph *f*:

“iii. its Centre collégial de transfert de technologie en télécommunications (C2T3);”;

(2) by inserting the following after subparagraph *l*:

“(l.1) the Centre des technologies de l’eau;”.

(2) Paragraph 1 of subsection 1 applies in respect of eligible liaison and transfer services rendered after 31 December 2008 pursuant to a contract entered into after that date.

(3) Paragraph 2 of subsection 1 applies in respect of eligible liaison and transfer services rendered after 31 December 2009 pursuant to a contract entered into after that date.

62. (1) Section 1079.1R3 of the Regulation is amended by replacing subparagraph i of subparagraph *b* of the second paragraph by the following:

“i. as a form of assistance from a government, municipality or other public authority, whether as a subsidy, grant, forgivable loan, deduction from tax, other than an amount described in subparagraph *b* of the second paragraph of section 1079.1 of the Act, or investment allowance, or as any other form of assistance, or”.

(2) Subsection 1 had effect from 19 February 2003.

63. Section 1086R1 of the Regulation is amended by replacing the fifth paragraph by the following:

“Where a particular qualifying person, within the meaning of section 47.18 of the Act, has agreed to sell or issue a security, within the meaning of that section, of the particular qualifying person or of a qualifying person with which it does not deal at arm’s length, to a taxpayer

who is an employee of the particular qualifying person or of a qualifying person with which it does not deal at arm’s length, and the taxpayer has acquired the security under the agreement in circumstances referred to in section 58.0.1 of the Act, as it read before being repealed, each of the particular qualifying person, the qualifying person of which the security is acquired and the qualifying person that is the taxpayer’s employer must, for the taxation year in which the security is acquired, file an information return in prescribed form in respect of the benefit that the taxpayer would be deemed to have received, but for that section 58.0.1, because of the taxpayer’s office or employment in that year and, for that purpose, an information return filed by one of the qualifying persons in respect of the taxpayer’s acquisition of the security is deemed to be filed by each of the qualifying persons.”.

64. (1) Section 1086R3 of the Regulation is amended by replacing the third paragraph by the following:

“Where, in a taxation year, any of sections 928, 932 and 933 of the Act applies in respect of a trust governed by a registered retirement savings plan, the trustee of that plan must file an information return in prescribed form.”.

(2) Subsection 1 applies in respect of investments acquired after 22 March 2011.

65. (1) Section 1086R4 of the Regulation is amended

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

“**1086R4.** Every carrier of a registered retirement income fund must file an information return in prescribed form”;

(2) by replacing “beneficiary” in paragraphs *a* and *c* by “annuitant”;

(3) by replacing “section 961.20 or 961.21” in paragraph *c* by “section 961.21”;

(4) by adding the following paragraph:

“In this section, “carrier” has the meaning assigned by paragraph *b* of section 961.1.5 of the Act and “annuitant” has the meaning assigned by paragraph *d* of that section.”.

(2) Paragraph 3 of subsection 1 applies in respect of investments acquired after 22 March 2011.

66. Section 1086R10 of the Regulation is amended by replacing “two copies” in the first paragraph by “one copy”.

67. Section 1086R11 of the Regulation is amended by replacing “two copies” by “one copy”.

68. (1) Section 1086R30 of the Regulation is amended by replacing “subparagraph *a* or *b*” in subparagraph *c* of the first paragraph by “subparagraphs *a*, *b*, *e* and *f*”.

(2) Subsection 1, where it amends subparagraph *c* of the first paragraph of section 1086R30 of the Regulation to make a reference to subparagraph *e* of the second paragraph of section 311.1 of the Taxation Act (chapter I-3), applies in respect of amounts paid after 31 December 2009.

(3) Subsection 1, where it amends subparagraph *c* of the first paragraph of section 1086R30 of the Regulation to make a reference to subparagraph *f* of the second paragraph of section 311.1 of the Taxation Act, applies in respect of amounts paid after 31 December 2010, and if it relates to expenses incurred by a taxpayer participating in a social assistance and support program, in respect of an amount paid in a taxation year prior to 1 January 2011 for which the Minister of Revenue could, on 21 December 2010 and under section 1010 of that Act, determine or redetermine the tax payable and make an assessment, reassessment or additional assessment.

69. Section 1086R33 of the Regulation is amended by replacing the first paragraph by the following:

“**1086R33.** Every eligible employer must file a statement of the amount of wages that is eligible income, in relation to a foreign researcher’s employment with the eligible employer, paid for a taxation year to the foreign researcher by the eligible employer, and give one copy of the statement to the foreign researcher in person or send the copy to the foreign researcher at the foreign researcher’s last known address, on or before the last day of February of each year in respect of the preceding calendar year.”.

70. Section 1086R34 of the Regulation is revoked.

71. Section 1086R35 of the Regulation is amended by replacing the first paragraph by the following:

“**1086R35.** Every eligible employer must file a statement of the amount of wages that is eligible income, in relation to the employment of a foreign researcher on a post-doctoral internship with the eligible employer, paid for a taxation year to the foreign researcher on a post-doctoral internship by the eligible employer, and give one copy of the statement to the foreign researcher in person or send the copy to the foreign researcher at the foreign researcher’s last known address, on or before the last day of February of each year in respect of the preceding calendar year.”.

72. Section 1086R36 of the Regulation is amended by replacing the first paragraph by the following:

“**1086R36.** Every eligible employer must file a statement of the amount of wages that is eligible income, in relation to a foreign expert’s employment with the eligible employer, paid for a taxation year to the foreign expert by the eligible employer, and give one copy of the statement to the foreign expert in person or send the copy to the foreign expert at the foreign expert’s last known address, on or before the last day of February of each year in respect of the preceding calendar year.”.

73. Section 1086R37 of the Regulation is amended by replacing the first paragraph by the following:

“**1086R37.** Every eligible employer must file a statement of the amount of wages that is eligible income, in relation to a foreign specialist’s employment with the eligible employer, paid for a taxation year to the foreign specialist by the eligible employer, and give one copy of the statement to the foreign specialist in person or send the copy to the foreign specialist at the foreign specialist’s last known address, on or before the last day of February of each year in respect of the preceding calendar year.”.

74. Section 1086R38 of the Regulation is amended by replacing the first paragraph by the following:

“**1086R38.** Every eligible employer must file a statement of the amount of wages that is eligible income, in relation to a foreign professor’s employment with the eligible employer, paid for a taxation year to the foreign professor by the eligible employer, and give one copy of the statement to the foreign professor in person or send the copy to the foreign professor at the foreign professor’s last known address, on or before the last day of February of each year in respect of the preceding calendar year.”.

75. Section 1086R48 of the Regulation is amended by striking out “two copies of the certificate must” in the second paragraph.

76. Section 1086R70 of the Regulation is amended

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

“**1086R70.** Every person required under this Title to file an information return, other than the information returns required by sections 1086R16, 1086R52 and 1086R88, must, subject to the second paragraph, send to each person in respect of whom the return is filed one copy of the part of the return concerning the person; the copy of the return must be sent to the person at the person’s last known address or delivered personally to the person, on or before the day on which the return is required to be sent to the Minister.”.

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

“The information return may, if the person has received the express consent of the person in respect of which it is filed, be sent in an electronic format on or before the date on which the return is to be filed with the Minister.”.

77. (1) Sections 1086R73 to 1086R75 of the Regulation are revoked.

(2) Subsection 1 applies to fiscal years that begin after 31 December 2011.

78. (1) Section 1086R92 of the Regulation is amended by replacing the second paragraph by the following:

“For the purposes of the first paragraph, a prescribed person means an individual, other than a trust, except if the individual

(a) holds a permit issued under the Educational Childcare Act (chapter S-4.1.1);

(b) is recognized as a person responsible for home day care by a person holding a childcare centre permit issued under the Educational Childcare Act; or

(c) provides day care in Québec that in the calendar year generates turnover of not less than \$30,000.”.

(2) Subsection 1 applies in respect of day care expenses paid for services provided from the year 2011.

79. Section 1086R96 of the Regulation is amended by replacing the third paragraph by the following:

“La Financière agricole du Québec must also send to the participant one copy of the portion of the information return that concerns the participant; the copy must be sent to the participant at the participant’s last known address or delivered personally to the participant, on or before the last day of the second month that follows the end of the fiscal period of the participant’s farming business.”.

80. (1) Class 12 in Schedule B to the Regulation is amended in the first paragraph

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

“(c) a kitchen utensil costing less than

i. \$100, if acquired before 26 May 1976,

ii. \$200, if acquired after 25 May 1976 and before 2 May 2006, or

iii. \$500, if acquired after 1 May 2006;”;

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

“(e) a medical or dental instrument costing less than

i. \$100, if acquired before 26 May 1976,

ii. \$200, if acquired after 25 May 1976 and before 2 May 2006, or

iii. \$500, if acquired after 1 May 2006;”;

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

“(h) a tool, other than an electronic communication device or electronic data processing equipment that is acquired after 1 May 2006 and can be used for a purpose other than that of measuring, locating or calculating, costing less than

i. \$100, if acquired before 26 May 1976,

ii. \$200, if acquired after 25 May 1976 and before 2 May 2006, or

iii. \$500, if acquired after 1 May 2006;”.

(2) Subsection 1 has effect from 2 May 2006.

81. (1) Class 29 in Schedule B to the Regulation is amended by replacing the portion of subparagraph iii of subparagraph *c* of the first paragraph before subparagraph 1 by the following:

“iii. after 18 March 2007 and before 1 January 2014, if the property is machinery, or equipment, that”.

(2) Subsection 1 has effect from 1 January 2012.

82. (1) Class 43.1 in Schedule B to the Regulation is amended in the first paragraph

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

“(c) is property that, as the case may be,

i. is part of a system, other than an enhanced combined cycle system, that”;

(2) by replacing the portion of subparagraph ii of subparagraph *c* before subparagraph 2 by the following:

“ii. is part of an enhanced combined cycle system that

(1) is used by the taxpayer, or by a lessee of the taxpayer, to generate electrical energy using only a combination of natural gas and thermal waste from one or more natural gas compressor systems located on a natural gas pipeline,”;

(3) by adding the following after subparagraph ii of subparagraph c:

“iii. is equipment that is used by the taxpayer, or by a lessee of the taxpayer, to generate electrical energy in a process all or substantially all of the energy input of which is thermal waste, other than

(1) equipment that uses heat produced by a gas turbine that is part of the first stage of a combined cycle system, and

(2) equipment that, on the date of its acquisition, uses chlorofluorocarbons or hydrochlorofluorocarbons within the meaning assigned by the Ozone-Depleting Substances Regulations, 1998, made under the Canadian Environmental Protection Act (Statutes of Canada, 1999, chapter 33).”.

(2) Subsection 1 applies in respect of property acquired after 21 March 2011.

83. (1) Schedule C to the Regulation is revoked.

(2) Subsection 1 has effect from 1 January 2012.

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

Regulation to amend the Regulation respecting contributions to the Québec Pension Plan

Act respecting the Québec Pension Plan (chapter R-9, ss. 59, 81, par. a and 82.1)

1. (1) Section 6 of the Regulation respecting contributions to the Québec Pension Plan (chapter R-9, r. 2) is amended by adding the following after subparagraph xviii of subparagraph a of the first paragraph:

“xix. 5.1% for the year 2013; or”.

(2) Subsection 1 applies from 1 January 2013.

2. (1) Section 8 of the Regulation is amended

(1) by adding the following after subparagraph r of the first paragraph:

“(s) 5.1% for the year 2013.”;

(2) by adding the following after subparagraph b of the second paragraph:

“(c) 5.1% for the year 2013.”.

(2) Subsection 1 applies from 1 January 2013.

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

Regulation to amend the Regulation respecting the Québec sales tax

An Act respecting the Québec sales tax (chapter T-0.1, s. 677, 1st and 2nd pars.)

1. Section 0R1 of the Regulation respecting the Québec sales tax (chapter T-0.1, r. 2) is replaced by the following:

“**0R1.** For the purposes of this Regulation, unless the context indicates otherwise,

“Act” means the Act respecting the Québec sales tax (chapter T-0.1);

“tax fraction”, at a particular time, means the amount determined by the formula

$$A / B.$$

For the purposes of the formula in the definition of “tax fraction” in the first paragraph,

(1) A is the rate of tax applicable in respect of the supply or bringing into Québec, and

(2) B is the total of 100% and the rate of tax referred to in subparagraph 1.”.

2. Section 17R11 of the Regulation is amended by replacing the first paragraph by the following:

“**17R11.** The bringing into Québec of the railway rolling stock that is imported in circumstances described in the code referred to in section 11 of the Value of Imported Goods (GST/HST) Regulations (SOR 91-30) in which the rolling stock becomes subject to customs duties by reason of the fact that it is used temporarily in Canada, is a prescribed circumstance.”.

3. Section 22.30R2 of the Regulation is amended by replacing the definition of “leg” by the following:

““leg” means a part of a flight of an aircraft that begins where passengers embark or disembark the aircraft, where freight is loaded on the aircraft or unloaded from it or where the aircraft is stopped to allow for its servicing or refuelling, and that ends where it is next stopped for any of those purposes.”.

4. (1) Section 22.30R5 of the Regulation is amended by replacing subparagraph *a* of subparagraph 2 of the first paragraph by the following:

“(a) that section were read with the first paragraph replaced by the following:

“Every person resident in Québec who is liable, in respect of goods, to pay tax imposed under the Customs Act on imported goods, or who would be so liable if the goods were subject to tax, is required to pay to the Minister a tax calculated at the rate of 9.975% on the value of the property.”; and”.

(2) Subsection 1 applies in respect of any supply made after 31 December 2012.

5. Section 22.30R11 of the Regulation is replaced by the following:

“**22.30R11.** A supply made in Canada of a service provided by telephone and accessed by calling a number beginning with the digits 1-900 or containing the local telephone prefix 976 is a prescribed supply if the telephone call originates in Québec.”.

6. Section 22.30R14 of the Regulation is replaced by the following:

“**22.30R14.** A supply of an air navigation service, within the meaning of subsection 2(1) of the Civil Air Navigation Services Commercialization Act (Statutes of Canada, 1996, chapter 20) is a prescribed supply if the leg of the flight in respect of which the service is performed originates in Québec.”.

7. (1) The Regulation is amended by inserting the following after section 24.1R1:

“PRESCRIBED MANDATARIES

“**29.1R1.** For the purposes of section 29.1 of the Act, an entity listed in Schedule III is a prescribed mandatory, except for the following entities:

(1) the Fondation de la faune du Québec;

(2) the Services juridiques communautaires de Pointe-Saint-Charles et Petite-Bourgogne local legal aid centre;

(3) the Centre communautaire juridique de Montréal regional legal aid centre.”.

(2) Subsection 1 applies from 1 April 2013.

8. (1) Section 81R2 of the Regulation is amended

(1) by replacing subparagraph *a* of paragraph 6 by the following:

“(a) the conveyance referred to in paragraph 1 of section 81 of the Act by reason of the reference to the heading referred to in subparagraph *i* of paragraph *f* of section 3 of the Non-Taxable Imported Goods (GST/HST) Regulations (SOR 91-31) is diverted for maintenance, overhaul or repair in Québec;”;

(2) by replacing subparagraph *a* of paragraph 7 by the following:

“(a) the work is part of a shipment of art brought into Québec on consignment and the total value of the shipment, determined in accordance with the second paragraph of section 17 of the Act, is at least \$250,000;”;

(3) by replacing subparagraph *b* of paragraph 8 by the following:

“(b) the code referred to in subparagraph *ii* of paragraph *h* of section 3 of the Non-Taxable Imported Goods (GST/HST) Regulations;”.

(2) Paragraph 2 of subsection 1 applies in respect of goods brought into Québec after 31 December 2012. In addition, where subparagraph *a* of paragraph 7 of section 81R2 of the Regulation applies in respect of goods brought into Québec,

(1) after 30 June 2006 and before 1 January 2008, the reference to “\$267,500” is to be read as a reference to “\$265,000”; and

(2) after 31 December 2007 and before 1 January 2013, the reference to “\$267,500” is to be read as a reference to “\$262,500”.

9. (1) Section 279R1 of the Regulation is amended by replacing paragraph 1 by the following:

“(1) the Société des loteries du Québec and a corporation, referred to in section 279R28, that is a subsidiary wholly-owned corporation of the Société des loteries du Québec are registrants referred to in that section 279;”.

(2) Subsection 1 has effect from 1 July 1992.

10. (1) Section 279R2 of the Regulation is amended

(1) by inserting the following definition after the definition of “non-taxable reimbursement”:

““period cost” for a particular period, in respect of a supply to the gaming authority of corporeal movable property or an immovable made by way of lease, means the total of

(1) the total of all amounts each of which is the portion of the capital cost of the corporeal movable property or immovable to the supplier that is reasonably allocated to a lease interval for which a payment forming part of the consideration for the supply becomes due in the particular period or is paid in the particular period without having become due;

(2) the total of all amounts each of which is an amount, other than an amount referred to in paragraph 1, that is a cost to the supplier that is reasonably attributable to the making of the supply for a lease interval referred to in that paragraph, other than, in the case of a supply to which section 279R29 applies, the portion, if any, of that cost that is deducted from the value of the consideration for the supply in determining, under that section, the amount deemed to be the tax payable in respect of the supply;

(3) any capital loss on the disposition of the corporeal movable property or immovable by the supplier that is recovered from the authority during the particular period; and

(4) an amount that, at any time in the particular period, the supplier recognizes in the supplier’s books of account as an unrecoverable loss, being the amount by which the unamortized capital cost of the corporeal movable property or immovable exceeds its fair market value at that time;”;

(2) by replacing the definition of “promotional supply” by the following:

““promotional supply”, by the gaming authority, means

(1) a supply of property, other than a supply by way of sale of capital property of the authority, made for no consideration or for nominal consideration; or

(2) a supply by way of sale of the following property or services for consideration that is less than the basic cost to the authority of the property or service:

(a) a service or incorporeal movable property purchased by the authority;

(b) corporeal movable property, other than capital property of the authority;”;

(3) by replacing the portion of the definition of “reimbursement” before paragraph 1 by the following:

““reimbursement” means an amount of consideration, within the meaning of section 1 of the Act, that”;

(4) by inserting the following definition after the definition of “non-gaming activity”:

““non-gaming reimbursement” means a reimbursement paid or payable by the gaming authority that is in respect of an expense incurred by a distributor of the authority and that is part of the cost to the authority of making non-gaming supplies;”;

(5) by replacing paragraph 1 of the definition of “non-taxable reimbursement” by the following:

“(1) consideration, other than interest, for a supply made to the distributor, other than a supply that would be deemed under section 350.11 of the Act not to be a supply if it were made to the authority instead of to the distributor, that is

(a) an exempt supply of movable property or a service;

(b) a zero-rated supply; or

(c) a taxable supply all or part of the consideration for which is, by reason of section 68 of the Act, not included in calculating the tax payable in respect of the supply; or”;

(6) by inserting the following definition after the definition of “instant win ticket”:

““lease interval”, in respect of a supply by way of lease of property, means the period to which a payment forming part of the consideration for the supply is attributable and that is all or part of the period during which possession or use of the property is provided under the agreement for the supply;”;

(2) Paragraphs 1, 3, 4 and 6 of subsection 1 have effect from 1 July 1992, except that where the definition of “period cost” in section 279R2 of the Regulation applies in respect of any supply made before 4 October 2003, it is to be read without reference to paragraphs 3 and 4 of that definition.

(3) Paragraph 2 of subsection 1 applies in respect of any supply made after 5 July 2000.

(4) Paragraph 5 of subsection 1 has effect from 3 October 2003.

11. (1) Section 279R3 of the Regulation is amended

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

“**279R3.** For the purposes of sections 279R1 to 279R29, the basic cost to the gaming authority of movable property or a service is equal to,”;

(2) by replacing paragraph 4 by the following:

“(4) in the case of incorporeal movable property or a service, the consideration paid or payable by the authority to purchase the property or service.”.

(2) Subsection 1 applies in respect of any supply made after 5 July 2000.

12. (1) The Regulation is amended by inserting the following after section 279R3:

“**279R3.1.** A supply of a particular property or service, made by the gaming authority, is not included in the definition of “promotional supply” in section 279R2 if the authority would, in the absence of this section, be entitled to include, in determining the total referred to in paragraph 2 of the second paragraph of section 279R13 or paragraph 2 of the second paragraph of section 279R18, all or a portion of an input tax credit in respect of

(1) the particular property or service;

(2) a service of manufacturing the particular property;
or

(3) other corporeal movable property acquired or brought into Québec by the authority for use as an ingredient in preparing the particular property or for the purpose of being incorporated into, forming a constituent or component part of, or being consumed or expended directly in the process of the manufacturing of the particular property.

“**279R3.2.** For the purposes of the definition of “promotional supply” in section 279R2, if, in making a supply of property or a service, the gaming authority accepts from the recipient of the supply a coupon, a ticket, a receipt, a device that, without regard to section 350.7 of the Act, is a gift certificate or any other device that may be exchanged for the property or service or that entitles the recipient to a reduction of the price of the property or service — the amount of the reduction in this section referred to as the “coupon value” —, or applies, as a reduction of, or credit

against, the price of the property or service, an amount — in this section referred to as the “credit value” — that has been credited in favour of the recipient by the authority, the consideration for the supply is deemed to be equal to the amount that would, without regard to sections 350.1 to 350.5 of the Act, be the consideration for the supply less the coupon value or credit value, as the case may be.

“**279R3.3.** Section 279R3.2 does not apply in respect of a supply of property or service made by the gaming authority if

(1) section 350.2 of the Act applies in respect of the supply;

(2) the consideration for the supply is reduced in circumstances in which section 448 of the Act applies; or

(3) the property or service is given in exchange, or the reduction or credit is provided, in lieu of refunding or reducing all or part of the consideration for the non-gaming supply, made by the authority, of another property or service.”.

(2) Subsection 1 applies in respect of any supply made after 5 July 2000.

13. (1) Section 279R13 of the Regulation is amended

(1) by replacing the French text of the portion before the formula in the first paragraph by the following:

“**279R13.** La formule à laquelle le paragraphe 1^o du deuxième alinéa de l’article 279R12 fait référence est la suivante:”;

(2) by inserting the following after subparagraph *c* of paragraph 1 of the second paragraph:

“(c.1) an amount, other than an amount described in subparagraph *ii* of subparagraph *e*, of tax in respect of a supply made by a person not resident in Canada who is deemed under section 23 of the Act to have been made outside Québec, that would have become payable by the authority during the period if the supply had been made in Québec by a registrant;”;

(3) by adding the following after subparagraph *iii* of subparagraph *e* of paragraph 1 of the second paragraph:

“*iv.* an amount that would have become payable by the authority during the period as tax under section 16 of the Act in respect of an exempt supply of an immovable made to the authority by way of lease by a wholly-owned subsidiary of the authority that had acquired the immovable for consideration equal to fair market value, if the supply

had been a taxable supply and if the amount of consideration for the supply that had become due in the period or was paid in the period without having become due were equal to the greater of the period cost of the supply for the period and the total of any amounts of consideration for the supply, as otherwise determined for the purposes of Title I of the Act, that became due in the period or were paid in the period without having become due, or

“v. an amount determined under the seventh paragraph; and”;

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

“(1) A.3 is a reimbursement, other than a non-gaming reimbursement, that became payable during the period, or that was paid during that period without having become payable, by the authority to a distributor of the authority, other than:”;

(5) by replacing paragraph 2 of the fifth paragraph by the following:

“(2) A.4 is the tax rate set out in the first paragraph of section 16 of the Act.”;

(6) by replacing the sixth paragraph by the following:

“The amount referred to in subparagraph iii of subparagraph *e* of paragraph 1 of the second paragraph is equal to the amount by which the amount described in paragraph 1 exceeds the amount described in paragraph 2:

(1) the total of all amounts each of which is tax that would have become payable by the authority during the period under section 16 of the Act in respect of a supply, other than a supply referred to in subparagraph iv or v of subparagraph *e* of paragraph 1 of the second paragraph, made to the authority that is a taxable supply of property or a service made at less than fair market value, or an exempt supply by way of lease of corporeal movable property or an immovable, if the supply had been a taxable supply made for consideration equal to fair market value;

(2) the total amount of tax under section 16 of the Act that became payable by the authority during the period in respect of the supplies described in paragraph 1.”;

(7) by adding the following after the sixth paragraph:

“The amount referred to in subparagraph v of subparagraph *e* of paragraph 1 of the second paragraph is equal to the amount by which the amount described in paragraph 1 exceeds the amount described in paragraph 2:

(1) the amount of tax that would have become payable by the authority during the period under section 16 of the Act in respect of a taxable supply of property made to the authority by way of lease by a wholly-owned subsidiary of the authority that had acquired the property for consideration equal to fair market value, if the consideration for the supply, equal to the period cost of the supply for the period, became due in the period and if that were the only consideration for the supply that became due in the period or was paid in the period without having become due;

(2) the total amount of tax under section 16 of the Act that became payable by the authority during the period in respect of the supply.”.

(2) Paragraph 2 of subsection 1 applies in respect of any supply made after 3 October 2003.

(3) Paragraphs 3, 4, 6 and 7 of subsection 1 have effect from 1 July 1992, except that where paragraph 1 of the sixth paragraph of section 279R13 of the Regulation applies in respect of a supply made before 4 October 2003, the reference to “corporeal movable property or an immovable” is to be read as a reference to “an immovable”.

(4) Paragraph 5 of subsection 1 applies in respect of any reporting period that begins after 31 December 2012. In addition, where section 279R13 of the Regulation applies

(1) in respect of any reporting period that begins after 31 December 2010 and before 1 January 2012, the reference in paragraph 2 of the fifth paragraph to “7.5%” is to be read as a reference to “8.5%”; and

(2) in respect of any reporting period that begins after 31 December 2011 and before 1 January 2013, the reference in paragraph 2 of the fifth paragraph to “7.5%” is to be read as a reference to “9.5%”.

14. (1) Section 279R14 of the Regulation is amended

(1) in the French text by replacing the portion before the formula in the first paragraph by the following:

“**279R14.** La formule à laquelle le paragraphe 2° du deuxième alinéa de l'article 279R12 fait référence est la suivante:”;

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

“(1) B.4 is an amount of salaries, wages or other remuneration, other than an amount described in paragraph 1 of the fourth paragraph, paid or payable by the distributor, or by a person — in this paragraph and in

paragraph 1 of the fourth paragraph referred to as the “distributor’s subsidiary” — that is a wholly owned subsidiary of the distributor, to an employee of the distributor or of the distributor’s subsidiary;

“(2) B.5 is the extent, expressed as a percentage, to which the amount of salaries, wages or other remuneration is

(a) a cost to the distributor of supplying the casino operating service to the authority; or

(b) a cost to the authority of the management, administration and carrying on of the day-to-day operations of the authority’s gaming activities that are connected with a casino of the authority; and”;

(3) by replacing paragraphs 1 and 2 of the fourth paragraph by the following:

“(1) B.6 is a particular amount that is paid by, or is in respect of a supply of property or a service made by, the distributor or the distributor’s subsidiary to an employee of the distributor or of the distributor’s subsidiary or to a person related to such an employee, and that the employee is required under any of sections 37, 41, 41.1.1 and 41.1.2 of the Taxation Act (chapter I-3) to include in computing the employee’s income for a taxation year of the employee; and

“(2) B.7 is the extent, expressed as a percentage, to which the particular amount is

(a) a cost to the distributor of supplying the casino operating service to the authority; or

(b) a cost to the authority of the management, administration and carrying on of the day-to-day operations of the authority’s gaming activities that are connected with a casino of the authority.”

(2) Paragraphs 2 and 3 of subsection 1 apply in respect of any reporting period that ends after 1 January 1996.

15. (1) Section 279R15 of the Regulation is amended

(1) in the French text by replacing the portion before the formula in the first paragraph by the following:

“**279R15.** La formule à laquelle le paragraphe 3° du deuxième alinéa de l’article 279R12 fait référence est la suivante:”;

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

“(1) C.1 is the total of all amounts each of which is an amount that, but for section 350.11 of the Act, would be consideration for a supply, other than a supply of a casino operating service, made by a distributor of the authority to the authority or would be a reimbursement paid or payable by the authority to a distributor of the authority, other than a reimbursement that is a non-gaming reimbursement, a non-taxable reimbursement or a reimbursement of the cost to the distributor of a right to play or participate in a game of chance given away free of charge by the distributor or a reimbursement of salaries, wages or other remuneration paid or payable by the distributor to an employee of the distributor to the extent that that remuneration is a cost to the distributor of supplying a casino operating service to the authority, where”;

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

“(2) C.2 is the tax rate set out in the first paragraph of section 16 of the Act.”

(2) Paragraph 2 of subsection 1 has effect from 1 July 1992.

(3) Paragraph 3 of subsection 1 applies in respect of any reporting period that begins after 31 December 2012. In addition, where section 279R15 of the Regulation applies

(1) in respect of any reporting period that begins after 31 December 2010 and before 1 January 2012, the reference in paragraph 2 of the second paragraph to “7.5%” is to be read as a reference to “8.5%”; and

(2) in respect of any reporting period that begins after 31 December 2011 and before 1 January 2013, the reference in paragraph 2 of the second paragraph to “7.5%” is to be read as a reference to “9.5%”.

16. (1) Section 279R16 of the Regulation is amended

(1) in the French text by replacing the portion before the formula in the first paragraph by the following:

“**279R16.** La formule à laquelle le paragraphe 4° du deuxième alinéa de l’article 279R12 fait référence est la suivante:”;

(2) by replacing paragraph 3 of the second paragraph by the following:

“(3) D.3 is the tax rate set out in the first paragraph of section 16 of the Act.”

(2) Paragraph 2 of subsection 1 applies in respect of any reporting period that begins after 31 December 2012. In addition, where section 279R16 of the Regulation applies

(1) in respect of any reporting period that begins after 31 December 2010 and before 1 January 2012, the reference in paragraph 3 of the second paragraph to “7.5%” is to be read as a reference to “8.5%”; and

(2) in respect of any reporting period that begins after 31 December 2011 and before 1 January 2013, the reference in paragraph 3 of the second paragraph to “7.5%” is to be read as a reference to “9.5%”.

17. (1) Section 279R17 of the Regulation is amended

(1) in the French text by replacing the portion before the formula in the first paragraph by the following:

“**279R17.** La formule à laquelle le sous-paragraphe *a* du paragraphe 5^o du deuxième alinéa de l’article 279R12 fait référence est la suivante:”;

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

“(2) E.2 is the extent, expressed as a percentage, to which the benefit amount is a cost to the authority of making non-gaming supplies other than the supply referred to in subparagraph ii of subparagraph *a* of paragraph 1; and”.

(2) Paragraph 2 of subsection 1 has effect from 1 July 1992.

18. (1) Section 279R19 of the Regulation is amended by replacing paragraph 1 by the following:

“(1) was acquired or brought into Québec by the authority for consumption or use in gaming activities of the authority, in improving capital property used in gaming activities of the authority, in making promotional supplies or in making supplies of financial services that relate to gaming activities of the authority;”.

(2) Subsection 1 has effect from 1 July 1992, except that, in respect of any supply made before 4 October 2003, it does not apply to an input tax credit or an imputed input tax credit that the gaming authority claimed in a return filed before 3 October 2003 under Chapter VIII of Title I of the Act respecting the Québec sales tax (chapter T-0.1).

19. (1) Section 279R27 of the Regulation is amended

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

“ $A \times (B - C)$.”;

(2) by replacing paragraphs 1 and 2 of the second paragraph by the following:

“(1) A is the tax rate set out in the first paragraph of section 16 of the Act;

“(2) B is the amount of those expenses; and”;

(3) by adding the following after paragraph 2 of the second paragraph:

“(3) C is the total determined in respect of the authority for that reporting period in accordance with element C of the formula described in section 13 of the Games of Chance (GST/HST) Regulations (SOR/98-440, (1998) 132 Can. Gaz., Part II, 2556).”.

(2) Subsection 1 applies in respect of any reporting period that begins after 31 December 2012. In addition, where section 279R27 of the Regulation applies

(1) in respect of any reporting period that ends after 31 December 2007 and that begins before 1 January 2013, the reference in paragraph 2 of the second paragraph to “element B” is to be read as a reference to “element C”;

(2) in respect of any reporting period that begins after 31 December 2010 and before 1 January 2012, the reference in the formula in the first paragraph to “7.5%” is to be read as a reference to “8.5%”; and

(3) in respect of any reporting period that begins after 31 December 2011 and before 1 January 2013, the reference in the formula in the first paragraph to “7.5%” is to be read as a reference to “9.5%”.

20. (1) The Regulation is amended by inserting the following after section 279R27:

“**279R27.1.** If the gaming authority — in this section referred to as the “reporting authority” — is the distributor of another provincial gaming authority in relation to a game of chance conducted by or on behalf of the other authority, the following rules apply:

(1) in applying sections 279R12 to 279R25 and Title I of the Act in determining the imputed tax payable on gaming expenses and the input tax credits of the reporting authority, any amount paid or payable by the reporting authority on behalf of the other authority in respect of the acquisition, or bringing into Québec, of property or a service for consumption, use or supply in relation to the conduct of the game is to be taken into account as if

(a) the game were conducted by the reporting authority as part of the gaming activities of the reporting authority and not of the other authority;

(b) the property or service were acquired, or brought into Québec, and the amount were paid or payable by the reporting authority on its own account and not by the other authority;

(c) the rights to play or participate in the game were rights of the reporting authority and not of the other authority; and

(d) persons, other than the reporting authority, acting as distributors of the other authority in relation to the game were distributors of the reporting authority, and not of the other authority, in relation to the game;

(2) no amount that would, but for section 350.11 of the Act, be consideration for a supply by the reporting authority to the other authority in relation to the game is to be included in the total referred to in paragraph 1 of the second paragraph of section 279R15; and

(3) no amount of a reimbursement paid or payable by the other authority to the reporting authority in respect of an expense incurred or to be incurred by the reporting authority that is attributable to the game is to be included in the total referred to in paragraph 1 of the fifth paragraph of section 279R13 or in paragraph 1 of the second paragraph of section 279R15.”

(2) Subsection 1 has effect from 1 July 1992.

21. (1) Section 300.2R1 of the Regulation is amended by replacing paragraphs 1 to 4 by the following:

“(1) where the property is a drawing, a print, an etching, a sculpture, a painting or other similar work of art, \$2,000;

“(2) where the property is jewellery, \$2,000;

“(3) where the property is a rare folio, a rare book, or a rare manuscript, \$2,000;

“(4) where the property is a stamp, the face value of the stamp; and”.

(2) Subsection 1 has effect from 1 January 2013.

22. (1) Section 346R1 of the Regulation is amended by adding the following after paragraph 2:

“(3) the marketing by the operator of a joint venture, under any agreement between the operator and a co-venturer, of all or part of the co-venturer’s share of the output of the joint venture, provided that the output arises from an activity conducted under the agreement referred to in section 346 of the Act;

“(4) the transportation of natural gas liquids by means of a pipeline that operates as a common carrier of natural gas liquids;

“(5) the operation of a facility that is used to generate electricity;

“(6) the operation of a transmission line that is used to transmit electrical power;

“(7) the processing of output — in this paragraph referred to as the “refinement” — that arises from the exploration or exploitation of a timber resource, including any jointly conducted exploration or exploitation activity of which the output is processed under the agreement referred to in section 346 of the Act in respect of the refinement and the marketing of the processed or unprocessed output that arises from that activity;

“(8) the production of a fertilizer and its marketing;

“(9) the disposal of waste, including the collection and transportation of waste that is in furtherance of that disposal;

“(10) the exercise of rights or privileges, or the performance of obligations, of ownership of an interest in an animal for the purposes of deriving revenue from prize-winning, stud service fees or sale;

“(11) the maintenance of a road, other than maintenance that is an exempt supply;

“(12) the operation and maintenance of the North Warning System;

“(13) the operation of a farming business within the meaning of the Taxation Act (chapter I-3);

“(14) the production of liquid methanol from natural gas;

“(15) the generation and recording of seismic data; and

“(16) the operation of a lumber, plywood, shake and shingle, pulp, paper or similar wood processing facility.”.

(2) Subsection 1 has effect from 1 July 1992.

23. (1) Section 350.51R5 of the Regulation is amended in the first paragraph

(1) by replacing subparagraph 4 by the following:

“(4) the value of the consideration paid or payable in respect of the supply;”;

(2) by replacing subparagraph 10 by the following:

“(10) the total amount for the supply that consists of the tax paid or payable, the goods and services tax paid or payable and the value of the consideration paid or payable in respect of the supply;”.

(2) Subsection 1 has effect from 1 January 2013.

24. (1) Section 350.51R7 of the Regulation is amended by replacing subparagraph 3 of the first paragraph by the following:

“(3) the estimated value of the consideration payable in respect of the supply;”.

(2) Subsection 1 has effect from 1 January 2013.

25. (1) Section 389R8 of the Regulation is amended

(1) by replacing “\$500,000” in paragraphs 1 and 2 by “\$1,000,000”;

(2) by replacing “\$2,000,000” in paragraphs 3 and 4 by “\$4,000,000”.

(2) Subsection 1 applies in respect of the determination of a rebate under sections 383 to 388 and 394 to 397.2 of the Act respecting the Québec sales tax (chapter T-0.1) for any claim period that begins after 31 December 2012.

26. (1) Section 389R9 of the Regulation is amended

(1) by replacing “\$500,000” wherever that figure appears in paragraphs 1 and 2 by “\$1,000,000”;

(2) by replacing “\$2,000,000” in paragraph 3 by “\$4,000,000”.

(2) Subsection 1 applies in respect of the determination of a rebate under sections 383 to 388 and 394 to 397.2 of the Act respecting the Québec sales tax (chapter T-0.1) for any claim period that begins after 31 December 2012.

27. (1) Section 389R10 of the Regulation is amended in subparagraph 2 of the second paragraph

(1) by inserting the following after subparagraph *c*:

“(c.1) the tax imposed in respect of the property or service under Part IX of the Excise Tax Act that became due or was paid without having become due by the particular person during the period;”;

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

“(e) interest, a penalty or other amount paid by the particular person during the period if it was charged to the particular person by the supplier of the property or service because an amount of consideration, or an amount of a duty or tax referred to in subparagraph *c* or *c.1*, that was payable in respect of the supply or bringing into Québec, was overdue.”.

(2) Subsection 1 applies in respect of any supply or bringing into Québec of a property or service in respect of which the tax becomes payable after 31 December 2012 and is not paid before 1 January 2013.

28. (1) The Regulation is amended by inserting the following after section 389R11:

“PRESCRIBED MANDATARIES

“**399.1R1.** For the purposes of section 399.1 of the Act, an entity listed in Schedule III is a prescribed mandatory.”.

(2) Subsection 1 applies from 1 April 2013.

29. (1) Section 425.1R1 of the Regulation is amended by replacing paragraph 2 by the following:

“(2) the value of the consideration for the supply for the purpose of determining the tax payable under section 16 of the Act;”.

(2) Subsection 1 applies in respect of any consideration for a supply that becomes due after 31 December 2012 and is not paid before 1 January 2013.

30. (1) Section 425.1R4 of the Regulation is amended by replacing paragraph 2 by the following:

“(2) in the case of the information described in paragraph 2 of section 425.1R1, in the box “Valeur pour TVQ” or in a similar box;”.

(2) Subsection 1 applies in respect of any consideration for a supply that becomes due after 31 December 2012 and is not paid before 1 January 2013.

31. (1) Section 434R0.11 of the Regulation is amended by replacing “\$219,000” in paragraph 2 by “\$418,952”.

(2) Subsection 1 applies in respect of the determination of the net tax of a registrant for any reporting period that begins after 31 December 2012.

32. (1) Section 434R0.12 of the Regulation is amended by replacing “\$219,000” in paragraphs 2 and 3 by “\$418,952”.

(2) Subsection 1 applies in respect of the determination of the net tax of a registrant for any reporting period that begins after 31 December 2012.

33. Section 434R0.13 of the Regulation is amended by replacing “\$32,850” in subparagraph *b* of subparagraph 4 of the second paragraph and in subparagraphs *i* and *ii* of subparagraph *c* of that subparagraph 4 by “\$31,421”.

(2) Subsection 1 applies in respect of the determination of the net tax of a registrant for any reporting period that begins after 31 December 2012.

34. (1) Section 434R4 of the Regulation is amended by replacing “\$10,500” in paragraph 2 of the definition of “specified supply” by “\$10,000”.

(2) Subsection 1 has effect from 1 January 2013.

35. (1) Section 434R7 of the Regulation is amended by replacing “\$10,500” in subparagraph *ii* of subparagraph *a* of subparagraph 3 of the second paragraph by “\$10,000”.

(2) Subsection 1 has effect from 1 January 2013.

36. (1) Section 434R8.5 of the Regulation is amended

(1) by replacing “\$500,000” in paragraphs 1 and 2 by “\$1,000,000”;

(2) by replacing “\$2,000,000” in paragraphs 3 and 4 by “\$4,000,000”.

(2) Subsection 1 applies in respect of the determination of the net tax of a registrant for any reporting period that begins after 31 December 2012.

37. (1) Section 434R8.6 of the Regulation is amended

(1) by replacing “\$500,000” wherever that figure appears in paragraphs 1 and 2 by “\$1,000,000”;

(2) by replacing “\$2,000,000” in paragraphs 3 and 4 by “\$4,000,000”.

(2) Subsection 1 applies in respect of the determination of the net tax of a registrant for any reporting period that begins after 31 December 2012.

38. (1) Section 434R8.8 of the Regulation is amended in subparagraph 2 of the second paragraph

(1) by inserting the following after subparagraph *c*:

“(c.1) the tax imposed in respect of the property or service under Part IX of the Excise Tax Act that became due or was paid without having become due by the registrant during the period;”;

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

“(e) interest, a penalty or other amount paid by the registrant during the period if it was charged to the registrant by the supplier because an amount of consideration, or an amount of a duty or tax referred to in subparagraph *c* or *c.1*, that was payable in respect of the supply or bringing into Québec, was overdue.”.

(2) Subsection 1 applies in respect of any supply or bringing into Québec of a property or service in respect of which the tax becomes payable after 31 December 2012 and is not paid before 1 January 2013.

39. (1) Section 678R1 of the Regulation is revoked.

(2) Subsection 1 applies from 1 April 2013.

40. (1) Schedule III to the Regulation is amended

(1) by replacing “(section 678R1)” by “(section 399.1R1)”;

(2) by striking out “Fondation universitaire de l’Université du Québec”.

(2) Subsection 1 has effect from 1 April 2013.

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