

### Transitional and final

- 63.** Despite section 52.2, the standards relating to a compost toilet applicable to a biological system under section 69 do not apply before the expiry of 2 years after their coming into force. The standards referred to in section 71, revoked by section 43 of this Regulation, remain applicable during that period.
- 64.** Despite the second paragraph of section 56, subparagraphs *c*, *e* to *g* and *i* of the first paragraph of section 56 and the standards relating to the use, maintenance and installation of a water level detection device do not apply to a prefabricated holding tank installed within 2 years following their coming into force.
- 65.** This Regulation comes into force on the fifteenth day following the date of its publication in the *Gazette officielle du Québec*.

102907

Gouvernement du Québec

### O.C. 320-2017, 29 March 2017

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

#### Québec sales tax — Amendment

Regulation to amend the Regulation respecting the Québec sales tax

WHEREAS the Act respecting the Québec sales tax (chapter T-0.1) was amended by chapter 28 of the statutes of 2012 and by chapter 21 of the statutes of 2015 to give effect to a measure announced in Information Bulletin 2012-4 published by the Ministère des Finances on 31 May 2012 concerning the exemption of financial services pursuant to the undertakings to harmonize the Québec sales tax system (QST) with the goods and services tax and harmonized sales tax (GST/HST) system;

WHEREAS, under subparagraph 2.2 of the first paragraph of section 677 of the Act respecting the Québec sales tax, the Government may, by regulation, determine which person is a prescribed person for the purposes of the definition of “investment plan” in section 1 of the Act;

WHEREAS, under subparagraphs 12 and 13 of the first paragraph of section 677 of the Act, the Government may, by regulation, determine which purposes and provisions are prescribed purposes and provisions for the purposes of sections 76 and 77 of the Act;

WHEREAS, under subparagraph 33.1.1 of the first paragraph of section 677 of the Act, the Government may, by regulation, determine which person is a prescribed person for the purposes of section 350.0.2 of the Act;

WHEREAS, under subparagraph 41.2 of the first paragraph of section 677 of the Act, the Government may, by regulation, determine the prescribed manner and the prescribed conditions for the purposes of section 402.23 of the Act;

WHEREAS, under subparagraph 44.2 of the first paragraph of section 677 of the Act, the Government may, by regulation, determine which amounts are prescribed amounts of tax and which amounts are prescribed amounts for the purposes of sections 433.16 and 433.16.2 of the Act;

WHEREAS, under subparagraph 44.3 of the first paragraph of section 677 of the Act, the Government may, by regulation, determine the classes which are prescribed classes for the purposes of section 433.16 of the Act;

WHEREAS, under subparagraph 44.4 of the first paragraph of section 677 of the Act, the Government may, by regulation, determine which information is prescribed information for the purposes of section 433.27 of the Act;

WHEREAS, under subparagraph 44.5 of the first paragraph of section 677 of the Act, the Government may, by regulation, determine which person is a prescribed person and which information is prescribed information for the purposes of section 433.30 of the Act;

WHEREAS it is expedient to amend the Regulation respecting the Québec sales tax (chapter T-0.1, r. 2) to complete the legislation to give effect to the measure concerning the exemption of financial services in connection with harmonization of the QST system with the GST/HST system;

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 the 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 by the regulation attached to this Order in Council warrants the absence of prior publication and such coming into force;

WHEREAS section 27 of the 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 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:

THAT the Regulation to amend the Regulation respecting the Québec sales tax, attached to this Order in Council, be made.

JUAN ROBERTO IGLESIAS,  
*Clerk of the Conseil exécutif*

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**Regulation to amend the Regulation respecting the Québec sales tax**

Act respecting the Québec sales tax  
(chapter T-0.1, s. 677)

1. (1) The Regulation respecting the Québec sales tax (chapter T-0.1, r. 2) is amended by inserting the following after section 0R1:

**"INVESTMENT PLAN**

**"1R0.1.** For the purposes of paragraph 5 of the definition of "investment plan" in section 1 of the Act, an employee life and health trust within the meaning of section 1 of the Taxation Act (chapter I-3) is a prescribed person."

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

2. (1) The Regulation is amended by inserting the following after section 346.1R1:

**"REPORTING INSTITUTION**

**"350.0.2R1.** For the purposes of section 350.0.2 of the Act, a selected listed financial institution that is an investment plan within the meaning of section 433.15.1 of the Act is a prescribed person."

(2) Subsection 1 applies in respect of any fiscal year that begins after 31 December 2012.

3. (1) The Regulation is amended by inserting the following after section 402.12R1:

**"REBATE TO AN INVESTMENT PLAN OR A SEGREGATED FUND OF AN INSURER**

**"402.23R1.** For the purposes of section 402.23 of the Act, the rebate to which a listed financial institution is entitled is equal to,

(1) if the listed financial institution is a stratified investment plan with one or more provincial series, the aggregate of all amounts each of which is an amount determined for a provincial series of the investment plan by the formula

$(A - B) \times C$ ;

(2) if the listed financial institution is a provincial investment plan, the amount determined by the formula

$A - D$ ; and

(3) in any other case, the amount determined by the formula

$E \times F$ .

For the purposes of the formulas in the first paragraph,

(1) A is the amount of tax under section 16 of the Act in respect of a supply of property or a service, or under section 17 or 18 of the Act in respect of a supply of corporeal movable property;

(2) B is,

(i) in the case of a provincial series as regards Québec, the amount of tax referred to in subparagraph 1; and

(ii) in any other case, zero;

(3) C is the extent, expressed as a percentage, to which the property or service was acquired, or brought into Québec, for consumption, use or supply in the course of the activities relating to the provincial series, as determined in accordance with section 51 of the Selected Listed Financial Institutions Attribution Method (GST/HST) Regulations made under the Excise Tax Act (Revised Statutes of Canada, 1985, chapter E-15);

(4) D is,

(i) in the case of a provincial investment plan as regards Québec, the amount of tax referred to in subparagraph 1; and

(ii) in any other case, zero;

(5) E is the amount of tax under any of sections 16, 17, 18 and 18.01 of the Act in respect of the supply of property or a service; and

(6) F is the extent, expressed as a percentage, to which the listed financial institution may reasonably be regarded as holding or investing funds for the benefit of persons that are not resident in Québec."

(2) Subsection 1 applies in respect of any amount of tax that became payable after 31 December 2012 or was paid after that date without having becoming payable.

4. (1) The Regulation is amended by inserting the following after section 425.1R5:

**"SPECIAL ATTRIBUTION METHOD — SELECTED LISTED FINANCIAL INSTITUTION****"Prescribed amount of tax**

**"433.16R1.** For the purposes of subparagraph 6 of the second paragraph of section 433.16 of the Act, any amount of tax that became payable by an insurer, or that was paid by the insurer without having become payable, in respect of property or a service acquired, or brought into Québec, exclusively and directly for consumption, use or supply in the course of investigating, settling or defending a claim arising under an insurance policy that is not in the nature of sickness or accident insurance or life insurance is a prescribed amount of tax.

**"G in the special attribution method formula**

**"433.16R2.** For the purposes of this section and sections 433.16R3 to 433.16R19,

"employer resource" has the meaning assigned by the first paragraph of section 289.2 of the Act;

"excluded property or service" means property or a service that is

(1) electricity or a service described in paragraph 6 or 7 of the definition of "specified property or service" that is acquired by the organizer or sponsor of a convention as a related convention supply;

(2) a 1-800 or 1-888 telephone service or a telephone service whose area code is an extension of such a telephone service and another telecommunication service that is related to the 1-800 or 1-888 telephone service or to the telephone service whose area code is an extension of such a telephone service;

(3) an Internet access service;

(4) a web-hosting service;

(5) a taxi, the operation and custody of which is entrusted to a person by the holder of a taxi permit;

(6) property or a service that is acquired or imported into Canada exclusively for the purpose of,

(a) in the case of movable property or a service, again making a supply of it;

(b) in the case of immovable property, again making a supply of it by sale;

(c) in the case of corporeal movable property, becoming a component of other corporeal movable property that is to be supplied by a person; or

(d) in the case of a service described in paragraph 6 or 7 of the definition of "specified property or service", acquired by a person operating a telecommunication service, being used directly and solely in the making of a taxable supply of another telecommunication service by the person; or

(7) electricity, gas, fuel or steam used by a person to produce movable property, other than property intended to be incorporated by the person into an immovable and meals intended for sale, or to be used in the design or production of production equipment or conditioning materials used for the production of such movable property, either as an agent of production or to operate production equipment, except electricity, gas, fuel or steam used to power equipment for the air-conditioning, lighting, heating or ventilation of a production site;

"large business" has the meaning assigned by sections 551 to 551.4 of the Act to amend the Taxation Act, the Act respecting the Québec sales tax and other legislative provisions (1995, chapter 63), as amended from time to time;

"qualifying food, beverages and entertainment" means food, beverages or entertainment that is a specified property or service;

"qualifying fuel" means fuel that is a specified property or service;

"qualifying road vehicle" means a selected road vehicle that is a specified property or service, and property, other than fuel, or a service, in respect of a selected road vehicle, that is a specified property or service;

"qualifying telecommunication service" means property or a service described in paragraph 6 or 7 of the definition of "specified property or service";

"recapture rate" applicable at a particular time means the rate that is,

- (1) if that time is before 1 January 2018, 100%;
- (2) if that time is after 31 December 2017 but before 1 January 2019, 75%;
- (3) if that time is after 31 December 2018 but before 1 January 2020, 50%;
- (4) if that time is after 31 December 2019 but before 1 January 2021, 25%; and
- (5) if that time is after 31 December 2020, 0%;

"selected road vehicle" means a road vehicle weighing less than 3,000 kilograms required to be registered under the Highway Safety Code (chapter C-24.2) or under a law of another jurisdiction, but does not include

(1) a farm tractor or farm machinery acquired, or brought into a province, for use exclusively in the operation of a farm by a farmer or a maple forest by a maple products producer; or

(2) a vehicle acquired, or brought into a province, to be used only elsewhere than on public highways within the meaning of the Highway Safety Code or a similar law of another province, that is registered as a vehicle to be used for exclusive use on private land or roads and not intended for public highways, or its registration certificate provides for such use;

"specified energy" means electricity, gas or fuel, other than fuel acquired, or imported into Canada, for use in a propulsion engine, or steam;

"specified extent" of property or a service in respect of a specified class of specified property or service for a reporting period of a person means the percentage that is equal to,

(1) if the property or service is a specified property or service of the specified class, 100%; and

(2) in any other case, 0%;

"specified property or service" means property or a service, other than excluded property or service, that is

(1) a selected road vehicle;

(2) motive fuel, other than fuel oil including diesel fuel, that is acquired or imported into Canada to power the engine of a selected road vehicle;

(3) property, other than property for maintenance or repair, that is acquired or imported into Canada by a person for consumption or use in respect of a selected road vehicle acquired or imported into Canada by the person, if the acquisition or importation of the property occurs within 12 months of the acquisition or importation of the selected road vehicle;

(4) a service, other than a service for maintenance or repair, that is acquired by a person for consumption or use in respect of a selected road vehicle acquired or imported into Canada by the person, if the supply of the service occurs within 12 months of the acquisition or importation of the selected road vehicle;

(5) specified energy;

(6) a telephone service;

(7) a telecommunication service or any telecommunication in respect of which tax under the Telecommunications Tax Act (chapter T-4) would apply but for section 14 of that Act and the definition of "user" in section 1 of that Act, and the second paragraph of section 4 of that Act were read with the reference to "Québec" replaced by a reference to "Canada"; or

(8) food, beverages or entertainment in respect of which section 421.1 or 421.1.1 of the Taxation Act (chapter I-3) applies, or would apply if the person were a taxpayer under that Act, during a taxation year of the person;

"specified resource" has the meaning assigned by section 289.5 of the Act;

"total B amounts" for a reporting period of a selected listed financial institution means,

(1) if the financial institution is a non-stratified investment plan and an election under section 49 or 61 of the Selected Listed Financial Institutions Attribution Method (GST/HST) Regulations made under the Excise Tax Act (Revised Statutes of Canada, 1985, chapter E-15), or under section 433.19.1 or 433.19.10 of the Act, in respect of the financial institution is in effect throughout the reporting period, the aggregate of all amounts each of which is the total for  $A_2$  in the description of A in the formula in subsection 2 of section 48 of those Regulations, or the total  $A_2$  would be if the financial institution were a selected listed financial institution for the purposes of Part IX of the Excise Tax Act, for a particular day in the reporting period;

(2) if the financial institution is a stratified investment plan, the aggregate of

(a) all amounts each of which is the total for  $A_2$  in the formula in paragraph a of the description of A in the formula in subsection 1 of section 48 of the Selected Listed Financial Institutions Attribution Method (GST/HST) Regulations, or the total  $A_2$  would be if the financial institution were a selected listed financial institution for the purposes of Part IX of the Excise Tax Act, for a series of the financial institution for a particular day in the reporting period; and

(b) all amounts each of which is the total for  $A_5$  in the formula in paragraph b of the description of A in the formula in subsection 1 of section 48 of those Regulations, or the total  $A_5$  would be if the financial institution were a selected listed financial institution for the purposes of Part IX of the Excise Tax Act, for a series of the financial institution for a particular day in the reporting period; and

(3) in any other case, the total for B in the formula in subsection 2 of section 225.2 of the Excise Tax Act, or the total B would be if the financial institution were a selected listed financial institution for the purposes of Part IX of that Act, for the reporting period;

"total F amounts" for a reporting period of a selected listed financial institution means,

(1) if the financial institution is a non-stratified investment plan and an election under section 49 or 61 of the Selected Listed Financial Institutions Attribution Method (GST/HST) Regulations, or under section 433.19.1 or 433.19.10 of the Act, in respect of the financial institution is in effect throughout the reporting period, or if the financial institution is a stratified investment plan, the total for D in the formula in the first paragraph of section 433.16.2 of the Act for the reporting period; and



(2) in any other case, the total for F in the formula in the first paragraph of section 433.16 of the Act for the reporting period.

**"433.16R3.** For the purposes of sections 433.16R2, 433.16R4 and 433.16R11, the property and services in the following definitions in section 433.16R2 are specified classes of specified property or service:

- (1) "qualifying fuel";
- (2) "specified energy";
- (3) "qualifying food, beverages and entertainment";
- (4) "qualifying telecommunication service"; and
- (5) "qualifying road vehicle".

**"433.16R4.** For the purposes of subparagraph 2 of the third paragraph of section 433.16R11, the tax recovery rate of a financial institution for a specified class of specified property or service for a particular reporting period of the financial institution means,

(1) if the specified class is qualifying fuel, the tax recovery rate of the financial institution for qualifying road vehicles for the particular reporting period, as determined under paragraph 2; and

(2) for any specified class other than the specified class referred to in paragraph 1,

(a) if an election under section 43 of the Selected Listed Financial Institutions Attribution Method (GST/HST) Regulations made under the Excise Tax Act (Revised Statutes of Canada, 1985, chapter E-15), or under section 433.16R5, is in effect throughout the particular reporting period, the percentage determined under subparagraph i of paragraph b of subsection 4 of section 42 of those Regulations for the particular reporting period or the percentage that would be so determined for that reporting period if the financial institution were a selected listed financial institution for the purposes of Part IX of that Act; and

(b) in any other case, the percentage that would be determined under subparagraph ii of paragraph b of subsection 4 of section 42 of the Selected Listed Financial Institutions Attribution Method (GST/HST) Regulations for the particular reporting period if the financial institution were a selected listed financial institution for the purposes of Part IX of the Excise Tax Act and if

(i) a specified property or service under that subparagraph ii were a specified property or service; and

(ii) a specified class under that subparagraph ii were a specified class.

**"433.16R5.** Subject to the third paragraph, a financial institution may make an election for the purposes of paragraph 2 of section 433.16R4 that is effective from the first day of the first reporting period of the financial institution throughout which the following criteria are met:

(1) the financial institution is not a selected listed financial institution for the purposes of Part IX of the Excise Tax Act (Revised Statutes of Canada, 1985, chapter E-15); and

(2) the financial institution is a large business.

An election under the first paragraph is to

(1) be made in prescribed form containing prescribed information; and

(2) be filed with the Minister in the manner determined by the Minister on or before the first day of the first reporting period referred to in the first paragraph or any later day that the Minister may determine.

No election under the first paragraph may be made by a financial institution if the financial institution has made a previous election under that paragraph and has revoked that election in accordance with the second paragraph of section 433.16R6.

**"433.16R6.** An election under section 433.16R5 ceases to be effective on the earlier of

(1) the first day of the fiscal year of the person in which the person becomes a selected listed financial institution for the purposes of Part IX of the Excise Tax Act (Revised Statutes of Canada, 1985, chapter E-15); and

(2) the day on which a revocation of the election becomes effective.

A financial institution that has made an election under section 433.16R5 may revoke the election by filing with the Minister, in the manner determined by the Minister, a notice of revocation in prescribed form containing prescribed information not later than the day on which the revocation is to become effective or any later day that the Minister may determine.

**"433.16R7.** For the purposes of applying sections 433.16R9 to 433.16R19 to determine prescribed amounts for a particular reporting period in a fiscal year that ends in a particular taxation year of a selected listed financial institution, the specified percentage of the financial institution as regards Québec for the particular reporting period is,

(1) if the financial institution is a non-stratified investment plan and an election under section 49 or 61 of the Selected Listed Financial Institutions Attribution Method (GST/HST) Regulations made under the Excise Tax Act (Revised Statutes of Canada, 1985, chapter E-15), or under section 433.19.1 or 433.19.10 of the Act, in respect of the financial institution is in effect throughout the fiscal year, the financial institution's percentage as regards Québec as of the earliest day in the particular reporting period for which that percentage is required to be determined for the purposes of section 433.16.2 of the Act or, if no such day exists, as of the last day before the particular reporting period for which that percentage is required to be determined for the purposes of that section;

(2) if the financial institution is a stratified investment plan, the aggregate of all amounts each of which is an amount determined for a series of the financial institution by the formula

$$A \times (B / C);$$

(3) if the financial institution is an investment plan and neither subparagraph 1 nor subparagraph 2 applies,

(a) if an election under section 50 of the Selected Listed Financial Institutions Attribution Method (GST/HST) Regulations, or under section 433.19.4 of the Act, is in effect throughout the fiscal year, other than for determining the interim net tax of the financial institution for the particular reporting period under the fourth paragraph of section 437.1 of the Act, the percentage under subparagraph *b* of subparagraph 3 of the second paragraph of section 433.16 of the Act; and

(b) in any other case, the percentage under subparagraph *a* of subparagraph 3 of the second paragraph of section 433.16 of the Act; and

(4) in any other case,

(a) if the amounts are determined for the purpose of calculating the interim net tax of the financial institution for the particular reporting period under section 437.1 of the Act,

(i) if the financial institution is a selected listed financial institution to which the fifth paragraph of section 437.1 of the Act applies, the percentage under subparagraph 3 of the second paragraph of section 433.16 of the Act enacted by that fifth paragraph; and

(ii) in any other case, the percentage under subparagraph 3 of the second paragraph of section 433.16 of the Act enacted by the first paragraph of section 437.1 of the Act; and

(b) in any other case, the percentage under subparagraph *b* of subparagraph 3 of the second paragraph of section 433.16 of the Act.

For the purposes of the formula in the first paragraph,

(1) A is,

(a) if an election under section 49 or 64 of the Selected Listed Financial Institutions Attribution Method (GST/HST) Regulations, or under section 433.19.1 or 433.19.11 of the Act, in respect of the series, is in effect throughout the fiscal year, the financial institution's percentage for the series and as regards Québec as of the earliest day in the particular reporting period for which that percentage is required to be determined for the purposes of section 433.16.2 of the Act or, if no such day exists, as of the last day before the particular reporting period for which that percentage is required to be determined for the purposes of that section;

(b) if an election under section 50 of the Selected Listed Financial Institutions Attribution Method (GST/HST) Regulations, or under section 433.19.4 of the Act, is in effect throughout the fiscal year, other than for determining the interim net tax of the financial institution for the particular reporting period under the third paragraph of section 437.1 of the Act, the financial institution's percentage for the series and as regards Québec for the particular taxation year that is required to be determined for the purposes of section 433.16.2 of the Act; and

(c) in any other case, the financial institution's percentage for the series and as regards Québec for the taxation year preceding the particular taxation year that is required to be determined for the purposes of section 433.16.2 of the Act;

(2) B is the total value of the units in the series as of the first business day in the particular reporting period; and

(3) C is the total value of the units of the financial institution as of the first business day in the particular reporting period.

**"433.16R8.** For the purposes of subparagraph 7 of the second paragraph of section 433.16 of the Act, the amounts determined under sections 433.16R9 to 433.16R19 are prescribed amounts for a particular reporting period in a fiscal year that ends in a taxation year of a selected listed financial institution.

**"433.16R9.** The positive or negative amount determined by the following formula is a prescribed amount for a particular reporting period in a fiscal year that ends in a taxation year of a selected listed financial institution:

$$G_1 - [(G_2 - G_3) \times G_4 \times (G_5 / G_6)].$$

For the purposes of the formula in the first paragraph,

(1)  $G_1$  is the aggregate of

(a) all amounts each of which is an amount that was paid or that became payable by the financial institution as or on account of tax under section 16 of the Act and that was adjusted, refunded or credited pursuant to any of sections 447 to 450 of the Act in the particular reporting period, to the extent that the amount was included in the total F amounts for any reporting period, including the particular reporting period, of the financial institution;

(b) if, under any of sections 357.2 to 357.5.3 of the Act, a person during the particular reporting period pays to, or credits in favour of, the financial institution an amount as or on account of a rebate, all amounts each of which is an amount so paid or credited to the financial institution, to the extent that the amount is in respect of tax under section 16 of the Act or, in respect of corporeal property brought into Québec by the financial institution and that comes from outside Canada, under section 17 of the Act, and was included in the total F amounts for any reporting period, including the particular reporting period, of the financial institution;

(c) all amounts each of which is an amount that, during the particular reporting period, was rebated, refunded or remitted to the financial institution under a law of Québec but otherwise than pursuant to the Act, to the extent that the amount is in respect of tax under section 16 of the Act or, in respect of corporeal property brought into Québec by the financial institution and that comes from outside Canada, under section 17 of the Act, and was included in the total F amounts for any reporting period, including the particular reporting period, of the financial institution;

(d) all amounts each of which is determined, for each rebate in respect of which section 350.6 of the Act applies that is received during the particular reporting period by the financial institution, by the formula

$A \times B$ ;

(e) all amounts each of which is an amount, in respect of a supply made at any time during the particular reporting period of property or a service to which an election made by the financial institution and another person under section 433.17 of the Act or under subsection 4 of section 225.2 of the Excise Tax Act (Revised Statutes of Canada, 1985, chapter E-15) applies, equal to tax payable by the financial institution under any of sections 16, 17, 18 and 18.0.1 of the Act that is included in the cost to the financial institution of supplying the property or service to the other person; and

(f) all amounts each of which is

(i) the amount of tax specified in a tax adjustment note issued under section 450.0.2 of the Act to the financial institution during the particular reporting period in respect of a specified resource if an amount in respect of a supply of the specified resource or part of it was included, under subparagraph *b* of subparagraph 6 of the second paragraph of section 433.16R10, in the description of  $G_6$  in the formula in the first paragraph of that section 433.16R10, for the particular reporting period or an earlier reporting period of the financial institution; or

(ii) the amount of tax specified in a tax adjustment note issued under section 450.0.5 of the Act to the financial institution during the particular reporting period in respect of employer resources if an amount in respect of supplies of the employer resources was included, under subparagraph c of subparagraph 6 of the second paragraph of section 433.16R10, in the description of  $G_6$  in the formula in the first paragraph of that section 433.16R10, for the particular reporting period or an earlier reporting period of the financial institution;

(2)  $G_2$  is the aggregate of

(a) all amounts included under any of subparagraphs i to v of the description of  $G_2$  in the formula in paragraph a of section 46 of the Selected Listed Financial Institutions Attribution Method (GST/HST) Regulations made under the Excise Tax Act, determined for the particular reporting period, or all amounts that would be so determined for the particular reporting period if the financial institution were a selected listed financial institution for the purposes of Part IX of that Act; and

(b) the amount that is,

(i) if the financial institution is not a selected listed financial institution for the purposes of Part IX of the Excise Tax Act, the total of all amounts that would be included under subparagraph vi of the description of  $G_2$  in the formula in paragraph a of section 46 of the Selected Listed Financial Institutions Attribution Method (GST/HST) Regulations, determined for the particular reporting period if the financial institution were a selected listed financial institution for the purposes of that Part IX and the reference to "the supply is made at any time during the particular reporting period to another person that is a selected listed financial institution at that time and an election made by the financial institution and the other person under subsection 225.2(4) of the Act applies to the supply," in that paragraph vi were read as "the supply is made at any time during the particular reporting period to another person that is, at that time, a selected listed financial institution, or a selected listed financial institution for the purposes of the Act respecting the Québec sales tax, R.S.Q., ch. T-0.1, and an election made by the financial institution and the other person under subsection 225.2(4) of the Act, or under section 433.17 of the Act respecting the Québec sales tax, applies to the supply,"; and

(ii) in any other case, the total of all amounts included under subparagraph vi of the description of  $G_2$  in the formula in paragraph a of section 46 of the Selected Listed Financial Institutions Attribution Method (GST/HST) Regulations, determined for the particular reporting period;

(3)  $G_3$  is the total for  $G_3$  in the formula in paragraph a of section 46 of the Selected Listed Financial Institutions Attribution Method (GST/HST) Regulations, determined for the particular reporting period or the total that  $G_3$  would be for that reporting period if the financial institution were a selected listed financial institution for the purposes of Part IX of the Excise Tax Act;

(4)  $G_4$  is the specified percentage of the financial institution as regards Québec for the particular reporting period;

(5)  $G_5$  is the tax rate specified in the first paragraph of section 16 of the Act; and

(6)  $G_6$  is the tax rate specified in subsection 1 of section 165 of the Excise Tax Act.

For the purposes of the formula in subparagraph *d* of subparagraph 1 of the second paragraph,

(1) A is the tax fraction in respect of the rebate, within the meaning of section 350.6 of the Act, in respect of the supply made to the financial institution of the property or service for which the rebate is paid, and

(2) B is the amount of the rebate.

**"433.16R10.** The positive or negative amount determined by the following formula is a prescribed amount for a particular reporting period in a fiscal year that ends in a taxation year of a selected listed financial institution:

$$[(G_1 - G_2) \times G_3 \times (G_4 / G_5)] - G_6.$$

For the purposes of the formula in the first paragraph,

(1)  $G_1$  is the aggregate of

(a) the amount determined for  $G_7$  in the formula in paragraph *b* of section 46 of the Selected Listed Financial Institutions Attribution Method (GST/HST) Regulations made under the Excise Tax Act (Revised Statutes of Canada, 1985, chapter E-15), determined for the particular reporting period, or the amount that would be determined for  $G_7$  for the reporting period if the financial institution were a selected listed financial institution for the purposes of Part IX of that Act; and

(b) if the financial institution is not a selected listed financial institution for the purposes of Part IX of the Excise Tax Act and has made an election under section 150 of that Act in respect of a supply that another person at a particular time made in favour of the financial institution, and the other person is a selected listed financial institution for the purposes of that Part IX, the amount included in the value determined for B in the formula in the first paragraph of section 433.16 of the Act, or taken into account in determining the value of A in the formula in the first paragraph of section 433.16.2 of the Act, for the particular reporting period, that would be an input tax credit if tax under subsection 1 of section 165 of the Excise Tax Act had become payable in respect of the supply during the particular reporting period;

(2)  $G_2$  is the aggregate of

(a) all amounts included under subparagraph i of the description of  $G_8$  in the formula in paragraph *b* of section 46 of the Selected Listed Financial Institutions Attribution Method (GST/HST) Regulations, determined for the particular reporting period or all amounts that would be so determined for the reporting period if the financial institution were a selected listed financial institution for the purposes of Part IX of the Excise Tax Act; and

(b) if the financial institution made an election under section 150 of the Excise Tax Act in respect of a supply made by the financial institution in favour of another person, the total of all amounts each of which is,

(i) if the other person is a selected listed financial institution for the purposes of Part IX of the Excise Tax Act, an amount included under subparagraph ii of the description of  $G_8$  in the formula in paragraph *b* of section 46 of the Selected Listed Financial Institutions Attribution Method (GST/HST) Regulations for the particular reporting period or would be so included for that reporting period if the financial institution were a selected listed financial institution for the purposes of that Part IX; and

(ii) in any other case and if the financial institution is not a selected listed financial institution for the purposes of Part IX of the Excise Tax Act, an amount that would be included under subparagraph ii of the description of  $G_8$  in the formula in paragraph *b* of section 46 of the Selected Listed Financial Institutions Attribution Method (GST/HST) Regulations for the particular reporting period if the financial institution were a selected listed financial institution for the purposes of that Part IX and that paragraph were read as follows:

"(ii) all amounts each of which would be, in the absence of an election under section 150 of the Act, an input tax credit of the financial institution for the particular reporting period in respect of a supply made at any time by the financial institution to another person that is a selected listed financial institution for the purposes of the Act respecting the Québec sales tax, R.S.Q., ch. T-0.1, at that time, if tax under subsection 165(1) of the Act would have been payable in the absence of an election and no election made by the financial institution and the other person under section 433.17 of the Act respecting the Québec sales tax applies in respect of the supply,"; and

(c) if the financial institution is not a selected listed financial institution for the purposes of Part IX of the Excise Tax Act and has made an election under section 150 of that Act in respect of a supply that another person at a particular time made in favour of the financial institution and the other person is a selected listed financial institution for the purposes of that Part IX, the amount included in the value determined for *A* in the formula in the first paragraph of section 433.16 of the Act, or taken into account in determining the value of *A* in the formula in the first paragraph of section 433.16.2 of the Act, for the particular reporting period, that would be tax under subsection 1 of section 165 of the Excise Tax Act that would have become payable in respect of that supply in the particular reporting period in the absence of that election;



(3)  $G_3$  is the specified percentage of the financial institution as regards Québec for the particular reporting period;

(4)  $G_4$  is the tax rate specified in the first paragraph of section 16 of the Act;

(5)  $G_5$  is the tax rate specified in subsection 1 of section 165 of the Excise Tax Act; and

(6)  $G_6$  is the aggregate of

(a) all amounts each of which is an amount of tax deemed to have been paid by the financial institution under subparagraph 1 of the first paragraph of section 327.7 of the Act during the particular reporting period to the extent that the amount is in respect of tax paid by another person under section 16 of the Act or, in respect of corporeal property from outside Canada that the person brings into Québec, under section 17 of the Act, and has not been included in the total F amounts for any reporting period, including the particular reporting period, of the financial institution;

(b) all amounts each of which is an amount of tax determined under subparagraph 3 of the first paragraph of section 289.5 of the Act in respect of a supply that the financial institution was deemed to have received during the particular reporting period under subparagraph a of subparagraph 4 of the first paragraph of that section;

(c) all amounts each of which is an amount of tax determined under subparagraph 3 of the first paragraph of section 289.6 of the Act in respect of a supply that the financial institution was deemed to have received during the particular reporting period under subparagraph a of subparagraph 4 of the first paragraph of that section; and

(d) all amounts each of which is an amount of tax determined under subparagraph 3 of the first paragraph of section 289.7 of the Act in respect of a supply in respect of which the financial institution was deemed to have paid tax during the particular reporting period under subparagraph 4 of the first paragraph of that section.

**"433.16R11.** The positive or negative amount determined by the following formula is a prescribed amount for a particular reporting period in a fiscal year that ends in a taxation year of a selected listed financial institution:

$$[G_1 \times G_2 \times (G_3 / G_4) \times G_5] - G_6 + G_7.$$

For the purposes of the formula in the first paragraph,

(1)  $G_1$  is,

(a) if the financial institution is a large business at any time in the particular reporting period, the aggregate of all amounts each of which is an amount determined for a specified class of specified property or service by the formula

$A \times B \times C$ ; and

(b) in any other case, zero;

(2)  $G_2$  is the specified percentage of the financial institution as regards Québec for the particular reporting period;

(3)  $G_3$  is the tax rate specified in the first paragraph of section 16 of the Act;

(4)  $G_4$  is the tax rate specified in subsection 1 of section 165 of the Excise Tax Act (Revised Statutes of Canada, 1985, chapter E-15);

(5)  $G_5$  is the rate that is the proportion that the total of all amounts each of which is the recapture rate applicable on a particular day in the particular reporting period is of the number of days in the particular reporting period;

(6)  $G_6$  is the aggregate of all amounts each of which is, in respect of a selected road vehicle that the financial institution, in the particular reporting period, either supplies by way of sale to a person that is not related to the financial institution or removes from Canada and registers in a foreign country, and in respect of the last acquisition or importation into Canada of the road vehicle, at any time in another reporting period of the financial institution that is after 31 December 2017, the financial institution included an amount under subparagraph 1 for the other reporting period, an amount determined by the formula

$D \times E \times (F / G) \times H \times (I / J)$ ; and

(7)  $G_7$  is the aggregate of all amounts each of which is, in respect of a selected road vehicle supplied by way of sale in any reporting period by the financial institution,

(a) if the time of the last acquisition or importation into Canada of the selected road vehicle was before 1 January 2018 and at that time the financial institution was a large business, the amount determined by the formula

$K \times L \times (M / N)$ ; and

(b) in any other case, zero.

For the purposes of the formulas in the second paragraph,

(1) A is the aggregate of

(a) all amounts each of which is an amount of tax, other than an amount of tax that is a prescribed amount of tax for the purposes of paragraph a of the description of A in the formula in subsection 2 of section 225.2 of the Excise Tax Act or an amount under subparagraph b of subparagraph 2 of the second paragraph of section 433.16R9, that became payable under subsection 1 of section 165 of that Act or under any of sections 212, 218 and 218.01 of that Act by the financial institution during the particular reporting period in respect of a supply or importation into Canada of property or a service, multiplied by the specified extent of the property or service in respect of the specified class for the particular reporting period;

(b) all amounts each of which is an amount of tax under subsection 1 of section 165 of the Excise Tax Act in respect of a supply of property or a service, other than a supply to which subparagraph c applies, made by a person to the financial institution that would, in the absence of an election under section 150 of that Act, have become payable by the financial institution during the particular reporting period, multiplied by the specified extent of the property or service in respect of the specified class for the particular reporting period;

(c) all amounts each of which is an amount, in respect of a supply made during the particular reporting period of property or a service to which an election made by the financial institution and another person under subsection 4 of section 225.2 of the Excise Tax Act or under section 433.17 of the Act applies, equal to tax under subsection 1 of section 165 of the Excise Tax Act calculated on the cost to the other person of supplying the property or service to the financial institution, excluding any remuneration to employees of the other person, the cost of financial services and tax under Part IX of the Excise Tax Act, multiplied by the specified extent of the property or service in respect of the specified class for the particular reporting period;

(d) all amounts each of which is an amount of tax, other than an amount of tax that is a prescribed amount of tax for the purposes of paragraph a of the description of A in the formula in subsection 2 of section 225.2 of the Excise Tax Act, that would have been payable under subsection 1 of section 165 of that Act or under any of sections 212, 218 and 218.01 of that Act by the financial institution during the particular reporting period in respect of a supply or importation into Canada of property or a service, multiplied by the specified extent of the property or service in respect of the specified class for the particular reporting period if,

(i) in the case where the property or a service is acquired or imported into Canada by the financial institution for consumption, use or supply exclusively in the course of commercial activities and, as a result of that consumption, use or supply, no tax under section 212 or 218 of the Excise Tax Act is payable in respect of the acquisition or importation, tax had been payable in respect of the acquisition or importation of the property or service;

(ii) in the case of a supply of property or a service that is deemed under Part IX of the Excise Tax Act to have been made for nil consideration, the supply had not been deemed to have been made for nil consideration if the supplier was not required to pay tax under Title I of the Act or would not have been required to pay tax if that Title I had applied to the supplier, as the case may be, or the supplier claimed or was entitled to claim a refund of the tax under that Title I or would have been entitled to claim such a refund if that Title I had applied to the supplier, as the case may be; and

(iii) in the case of a supply of property or a service that is deemed under paragraph c of subsection 1 of section 273 of the Excise Tax Act not to be a supply, the supply had not been deemed not to be a supply; and

(e) if the specified class is qualifying road vehicles and the financial institution is engaged in the business of supplying such road vehicles by way of sale, all amounts each of which is, for a selected road vehicle described in subparagraph a of paragraph 6 of the definition of "excluded property or service" in section 433.16R2 that was acquired or imported into Canada by the financial institution and is used by the financial institution, at any time in the particular reporting period, otherwise than exclusively for the purpose referred to in that subparagraph a, an amount determined by the formula

$O \times P \times 2.5\%$ ;

(2) B is the tax recovery rate of the financial institution for the specified class for the particular reporting period;

(3) C is,

(a) in the case where the specified class is described in paragraph 3 of section 433.16R3, 50%; and

(b) in any other case, 100%;

(4) D is the amount determined under subparagraph 1 of the second paragraph in the other reporting period in respect of the last acquisition or importation of the road vehicle into Canada;

(5) E is the specified percentage of the financial institution as regards Québec for the other reporting period;

(6) F is the tax rate specified in the first paragraph of section 16 of the Act as of the last day of the other reporting period;

(7) G the tax rate specified in subsection 1 of section 165 of the Excise Tax Act;

(8) H is the amount determined for  $G_5$  in the formula in the first paragraph, determined for the financial institution for the other reporting period;

(9) I is,

(a) if the financial institution supplies the selected road vehicle and the recipient of the supply is not dealing at arm's length with the financial institution or if the financial institution removes the road vehicle from Canada, the fair market value of the road vehicle at the time of the supply or removal; and

(b) in any other case, the consideration for the supply by way of sale of the selected road vehicle;

(10) J is the consideration in respect of the last acquisition of the selected road vehicle by the financial institution, or the value in respect of the last importation of the selected road vehicle into Canada by the financial institution, in respect of which the amount determined under subparagraph 4 is attributable;

(11) K is the amount of the input tax credit in respect of the selected road vehicle under subsection 1 of section 203 of the Excise Tax Act that was claimed by the financial institution in the return under Division V of Part IX of that Act filed by the financial institution for the particular reporting period that is included in the total B amounts for the particular reporting period;

(12) L is the percentage referred to in subparagraph 2 of the second paragraph;

(13) M is the rate referred to in subparagraph 3 of the second paragraph; and

(14) N is the rate referred to in subparagraph 4 of the second paragraph.

For the purposes of the formula in subparagraph e of subparagraph 1 of the third paragraph,

(1) O is an amount of tax, other than an amount of tax that is a prescribed amount of tax for the purposes of paragraph a of the description of A in the formula in subsection 2 of section 225.2 of the Excise Tax Act, that became payable by the financial institution under subsection 1 of section 165 of that Act or under any of sections 212, 218 and 218.01 of that Act in respect of the supply or importation into Canada of the road vehicle; and

(2) P is the number of fiscal months in the particular reporting period during which the road vehicle was used otherwise than exclusively for the purpose referred to in subparagraph a of paragraph 6 of the definition of "excluded property or service" in section 433.16R2.

**"433.16R12.** The positive amount determined by the following formula is a prescribed amount for a particular reporting period in a fiscal year that ends in a taxation year of a selected listed financial institution:

$$G_1 \times G_2 \times (G_3 / G_4).$$

For the purposes of the formula in the first paragraph,

(1) G<sub>1</sub> is the total of all amounts each of which is an amount of tax that was paid or that became payable by the financial institution under subsection 1 of section 165 of the Excise Tax Act (Revised Statutes of Canada, 1985, chapter E-15) or under any of sections 212, 218 and 218.01 of that Act during a reporting period for the purposes of Part IX of that Act that ends before 1 January 2013 and in respect of which the financial institution has claimed an input tax credit in the return under Division V of Part IX of that Act filed by the financial institution for the particular reporting period, to the extent that the amount was included in the total B amounts for the particular reporting period;

(2)  $G_2$  is the specified percentage of the financial institution as regards Québec for the particular reporting period;

(3)  $G_3$  is the tax rate specified in the first paragraph of section 16 of the Act; and

(4)  $G_4$  is the tax rate specified in subsection 1 of section 165 of the Excise Tax Act.

**"433.16R13.** The negative amount determined by the following formula is a prescribed amount for a particular reporting period that begins before 1 April 2013 and ends after 31 March 2013 and that is in a fiscal year that ends in a taxation year of a selected listed financial institution:

$$-1 \times G_1 \times G_2 \times (G_3 / G_4).$$

For the purposes of the formula in the first paragraph,

(1)  $G_1$  is the value of  $G_{40}$  in the formula in paragraph *h* of section 46 of the Selected Listed Financial Institutions Attribution Method (GST/HST) Regulations made under the Excise Tax Act (Revised Statutes of Canada, 1985, chapter E-15), determined for the particular reporting period or the value that  $G_{40}$  would have for that particular reporting period if the financial institution were a selected listed financial institution for the purposes of Part IX of that Act;

(2)  $G_2$  is the specified percentage of the financial institution as regards Québec for the particular reporting period;

(3)  $G_3$  is the tax rate specified in the first paragraph of section 16 of the Act; and

(4)  $G_4$  is the tax rate specified in subsection 1 of section 165 of the Excise Tax Act.

**"433.16R14.** If a selected listed financial institution that is an investment plan and the manager of the investment plan have made an election under the first or second paragraph of section 433.22 of the Act that is in effect at any time in a particular reporting period of the manager, and an election under the first or second paragraph of section 470.2 of the Act is in effect at any time in the particular reporting period of the investment plan in which the manager's particular reporting period ends, the positive or negative amount determined by the following formula is a prescribed amount for the particular reporting period of the investment plan:

$$-1 \times A.$$

For the purposes of the formula in the first paragraph, *A* is,

(1) if the manager is a selected listed financial institution throughout the manager's particular reporting period, the amount determined under section 433.16R15 in respect of the reporting period; and

(2) in any other case, the amount determined in respect of the manager's particular reporting period under subparagraph 3 of the third paragraph of section 433.22 of the Act or under the second paragraph of section 406.2 of the Act.

**"433.16R15.** If a manager has made, with one or more investment plans that are selected listed financial institutions, each of which is referred to in this section as a "qualifying investment plan", a joint election under the first or second paragraph of section 433.22 of the Act that is in effect at any time in a particular reporting period of the manager, and the manager is a selected listed financial institution throughout that particular reporting period, the particular positive or negative amount that is the aggregate of all amounts each of which is the positive amount that a qualifying investment plan would be required to add in determining its net tax under section 433.16 or 433.16.2 of the Act, or the negative amount that a qualifying investment plan would be able to deduct in determining its net tax under either of those sections, for a particular reporting period of the qualifying investment plan, is a prescribed amount for the manager's particular reporting period, if the positive or negative amount were determined having regard to the following assumptions:

(1) the beginning of the particular reporting period of the qualifying investment plan coincided with the later of the beginning of the manager's particular reporting period and the day, if any, in the manager's particular reporting period on which an election under the first or second paragraph of section 433.22 of the Act, as the case may be, between the qualifying investment plan and the manager becomes effective;

(2) the end of the particular reporting period of the qualifying investment plan coincided with the earlier of the end of the manager's particular reporting period and the day, if any, in the manager's particular reporting period on which an election under the first or second paragraph of section 433.22 of the Act, as the case may be, between the qualifying investment plan and the manager ceases to have effect;

(3) subparagraphs 1 and 2 of the third paragraph of section 433.22 of the Act and section 433.16R14 did not apply in respect of the particular reporting period of the qualifying investment plan; and

(4) if, at any time in the particular reporting period of the qualifying investment plan, no election under the first or second paragraph of section 470.2 of the Act, as the case may be, is in effect between the qualifying investment plan and the manager, an amount of tax that became payable by the qualifying investment plan, or that was paid by the qualifying investment plan without having become payable, at that time is included in determining the positive or negative amount only if the amount of tax is attributable to a supply made by the manager to the qualifying investment plan.

For the purposes of the first paragraph, a negative amount in respect of a qualifying investment plan is taken into account only if the manager has paid or credited the amount to the qualifying investment plan.

**"433.16R16.** If a selected listed financial institution is a non-stratified investment plan, if units of the investment plan are issued, distributed or offered for sale in a particular fiscal year of the investment plan that ends in a particular taxation year of the investment plan, if immediately before the issuance, distribution or offering for sale no units of the investment plan are issued and outstanding and if no election is in effect under any of sections 49, 60 and 61 of the Selected Listed Financial Institutions Attribution Method (GST/HST) Regulations made under the Excise Tax Act (Revised Statutes of Canada, 1985, chapter E-15), under the third paragraph of section 433.16 of the Act or under section 433.19.1 or 433.19.10 of the Act, in respect of the investment plan and the particular fiscal year, and if the reconciliation day, within the meaning of subparagraph ii of paragraph a of section 59 of those Regulations, is not included in the particular fiscal year, the positive or negative amount determined by the following formula is a prescribed amount for the particular reporting period of the investment plan that includes the reconciliation day:

A – B.

For the purposes of the formula in the first paragraph,

(1) A is the aggregate of all amounts each of which is an amount that would be the net tax for a reporting period of the investment plan that is included in the particular fiscal year if that net tax were determined,

(a) if no election under section 50 of the Selected Listed Financial Institutions Attribution Method (GST/HST) Regulations, or under section 433.19.4 of the Act, is in effect throughout the particular fiscal year, as if the investment plan's percentage as regards Québec for the taxation year preceding the particular taxation year were determined in accordance with the rules set out in section 60.1 of those Regulations and Québec were a participating province within the meaning of subsection 1 of section 123 of the Excise Tax Act; and

(b) if an election under section 50 of the Selected Listed Financial Institutions Attribution Method (GST/HST) Regulations, or under section 433.19.4 of the Act, is in effect throughout the particular fiscal year, as if the investment plan's percentage as regards Québec for the particular taxation year in which the particular fiscal year ends were determined in accordance with the rules set out in section 60.1 of those Regulations and Québec were a participating province within the meaning of subsection 1 of section 123 of the Excise Tax Act; and

(2) B is the aggregate of all amounts each of which is the net tax for a reporting period of the investment plan that is included in the particular fiscal year.



**"433.16R17.** If a selected listed financial institution is a non-stratified investment plan that has made an election under the third paragraph of section 433.16 of the Act, or under section 60 of the Selected Listed Financial Institutions Attribution Method (GST/HST) Regulations made under the Excise Tax Act (Revised Statutes of Canada, 1985, chapter E-15), in respect of a particular fiscal year that ends in a particular taxation year, for each particular reporting period in the particular fiscal year that ends after the attribution point in respect of the investment plan for the taxation year preceding the particular taxation year and for each particular reporting period in the fiscal year that follows the particular fiscal year, the amount determined by the following formula is a prescribed amount:

$$[(A - B) / C] \times D \times (E / F).$$

For the purposes of the formula in the first paragraph,

(1) A is the aggregate of all amounts each of which is a prescribed amount of tax under paragraph a of section 60 of the Selected Listed Financial Institutions Attribution Method (GST/HST) Regulations or that would be so prescribed if the investment plan were a selected listed financial institution for the purposes of Part IX of the Excise Tax Act;

(2) B is the aggregate of all amounts each of which is an input tax credit of the investment plan under Part IX of the Excise Tax Act in respect of an amount of tax referred to in subparagraph 1;

(3) C is the total of the number of particular reporting periods in the particular fiscal year that end after the attribution point and the number of particular reporting periods in the fiscal year of the investment plan that immediately follows the particular fiscal year;

(4) D is,

(a) if no election under section 50 of the Selected Listed Financial Institutions Attribution Method (GST/HST) Regulations, or under section 433.19.4 of the Act, is in effect throughout the particular fiscal year, the percentage that would be the investment plan's percentage as regards Québec for the taxation year preceding the particular taxation year for the purposes of subsection 2 of section 225.2 of the Excise Tax Act if Québec were a participating province within the meaning of subsection 1 of section 123 of that Act; and

(b) if an election under section 50 of the Selected Listed Financial Institutions Attribution Method (GST/HST) Regulations, or under section 433.19.4 of the Act, is in effect throughout the particular fiscal year, the percentage that would be the investment plan's percentage as regards Québec for the particular taxation year for the purposes of subsection 2 of section 225.2 of the Excise Tax Act if Québec were a participating province within the meaning of subsection 1 of section 123 of that Act;

(5) E is the tax rate specified in the first paragraph of section 16 of the Act; and

(6) F is the tax rate specified in subsection 1 of section 165 of the Excise Tax Act.

For the purposes of this section and subject to the second paragraph of section 433.19.18 of the Act, "attribution point" has the meaning assigned by paragraph a of subsection 1 of section 58 of the Selected Listed Financial Institutions Attribution Method (GST/HST) Regulations.

**"433.16R18.** In the circumstances set out in the second paragraph, the positive amount determined by the following formula is a prescribed amount for a particular reporting period in a particular fiscal year, in respect of a taxation year, of a selected listed financial institution:

$$50\% \times [(G_1 - G_2) / G_3 \times G_4] \times G_5 \times G_6 \times (G_7 / G_8).$$

The circumstances to which the first paragraph refers are as follows:

(1) an amount, other than an amount paid in a remote location, is an expense incurred by the financial institution to earn income from a business or property in a taxation year — in this section referred to as the "composite amount" — and that, as the case may be,

(a) becomes due from the financial institution or is an amount paid by the financial institution without having become due in respect of the supply of property or a service made to the financial institution; or

(b) is paid by the financial institution as an allowance or reimbursement in respect of which the financial institution is deemed under section 174 or 175 of the Excise Tax Act (Revised Statutes of Canada, 1985, chapter E-15) to have received a supply of property or a service;

(2) section 421.1 of the Taxation Act (chapter I-3) applies, or would apply if the financial institution were a taxpayer under that Act, to all of the composite amount or that part of it that is, for the purposes of that Act, an amount paid or payable in respect of the human consumption of food or beverages or the enjoyment of entertainment and section 421.1 of that Act deems the composite amount or that part to be 50% of a particular amount;

(3) the particular amount exceeds twice that of the amount determined under section 175.6.1 of the Taxation Act that is deductible in computing the financial institution's income for the taxation year from the business or property, or that would be so deductible if the financial institution were a taxpayer under that Act; and

(4) an amount of tax included in the composite amount and having become payable under Part IX of the Excise Tax Act or deemed under section 174 or 175 of that Act to have been paid by the financial institution is included in determining the input tax credit tax claimed by the financial institution in the return under Division V of Part IX of that Act filed by the financial institution for the particular reporting period.

For the purposes of the formula in the first paragraph,

(1)  $G_1$  is the particular amount referred to in subparagraph 2 of the second paragraph;

(2)  $G_2$  is twice the amount determined under section 175.6.1 of the Taxation Act that is deductible in computing the financial institution's income for the taxation year from the business or property, or that would be so deductible if the financial institution were a taxpayer under that Act;

(3)  $G_3$  is the composite amount;

(4)  $G_4$  is the amount referred to in subparagraph 2 of the second paragraph of section 433.16 of the Act for the particular reporting period in respect of the composite amount;

(5)  $G_5$  is,

(a) where the particular fiscal year begins before 1 January 2020 and the financial institution is a large business,

(i) if the particular fiscal year ends before 1 January 2018, zero; and

(ii) in any other case, the quotient obtained when the aggregate of all amounts, each of which is the rate referred to in the fourth paragraph applicable on a particular day in the particular reporting period, is divided by the number of days in the particular reporting period; and

(b) in any other case, 1;

(6)  $G_6$  is the specified percentage of the financial institution as regards Québec for the particular reporting period;

(7)  $G_7$  is the tax rate specified in the first paragraph of section 16 of the Act; and

(6)  $G_8$  is the tax rate specified in subsection 1 of section 165 of the Excise Tax Act.

The rate referred to in subparagraph ii of subparagraph a of subparagraph 5 of the third paragraph applicable on a particular day is,

(1) if the particular day is before 1 January 2018, 0%;

(2) if the particular day is after 31 December 2017 but before 1 January 2019, 25%;

(3) if the particular day is after 31 December 2018 but before 1 January 2020, 50%;

(4) if the particular day is after 31 December 2019 but before 1 January 2021, 75%; and

(5) if the particular day is after 31 December 2020, 100%.

In this section, "amount paid in a remote location", "business", "property" and "taxation year" have the meaning assigned by section 457.1.3 of the Act.

This section does not apply for the purposes of subdivision 8 of Division III of Chapter VIII of Title I of the Act or paragraph 1 of section 470.1 of the Act.

**"433.16R19.** If a selected listed financial institution is an individual, the positive amount determined by the following formula is a prescribed amount for a reporting period in a particular fiscal year that ends in a taxation year of the financial institution:

$$50\% \times G_1 \times G_2 \times (G_3 / G_4).$$

For the purposes of the formula in the first paragraph,

(1)  $G_1$  is the portion of the amount referred to in subparagraph 2 of the second paragraph of section 433.16 of the Act for the particular reporting period in respect of property or a service acquired or imported into Canada for consumption or use in relation to the maintenance of a self-contained domestic establishment that includes a work space described in subparagraph i or ii of paragraph a.1 of subsection 1 of section 170 of the Excise Tax Act (Revised Statutes of Canada, 1985, chapter E-15), other than property or a service acquired or imported into Canada for exclusive consumption or use in relation to that work space;

(2)  $G_2$  is the specified percentage of the financial institution as regards Québec for the particular reporting period;

(3)  $G_3$  is the tax rate specified in the first paragraph of section 16 of the Act; and

(4)  $G_4$  is the tax rate specified in subsection 1 of section 165 of the Excise Tax Act.

For the purposes of this section, property or a service acquired or imported into Canada for consumption or use in relation to the maintenance of a self-contained domestic establishment includes property or a service relating to the maintenance, repair or improvement of the establishment but does not include the electricity, gas, fuel or steam used in lighting or heating the establishment.

"Prescribed class

"**433.16R20.** For the purposes of section 433.16 of the Act, a prescribed class means a class prescribed for the purposes of subsection 2 of section 225.2 of the Excise Tax Act (Revised Statutes of Canada, 1985, chapter E-15).

"ADAPTED SPECIAL ATTRIBUTION METHOD — SELECTED LISTED FINANCIAL INSTITUTION

"Prescribed amount of tax

"**433.16.2R1.** For the purposes of subparagraph 4 of the second paragraph of section 433.16.2 of the Act, the following amounts are prescribed amounts of tax:

(1) any amount of tax that became payable by an insurer, or that was paid by the insurer without having become payable, in respect of property or a service acquired, or brought into Québec, exclusively and directly for consumption, use or supply in the course of investigating, settling or defending a claim arising under an insurance policy that is not in the nature of sickness or accident insurance or life insurance; and

(2) any amount of tax that became payable by a stratified investment plan, or that was paid by the investment plan without having become payable, in respect of property or a service to the extent that the property or service was acquired, or brought into Québec, for consumption, use or supply in the course of activities relating to a provincial series of the investment plan.

"E in the adapted special attribution method formula

"**433.16.2R2.** For the purposes of subparagraph 5 of the second paragraph of section 433.16.2 of the Act, any amount under any of sections 433.16R9 to 433.16R15 and 433.16.2R3 to 433.16.2R5 is a prescribed amount.

"**433.16.2R3.** If a selected listed financial institution is a stratified investment plan, if units of a series of the investment plan are issued, distributed or offered for sale in a particular fiscal year of the investment plan that ends in a particular taxation year of the investment plan, if immediately before the issuance, distribution or offering for sale no units in the series are issued and outstanding, if no election is in effect under any of sections 49, 63 and 64 of the Selected Listed Financial Institutions Attribution Method (GST/HST) Regulations made under the Excise Tax Act (Revised Statutes of Canada, 1985, chapter E-15), under the third paragraph of section 433.16.2 of the Act or under section 433.19.1 or 433.19.11 of the Act, in respect of the series and the particular fiscal year and if the reconciliation day, within the meaning of subparagraph ii of paragraph a of section 62 of those Regulations, is not included in the particular fiscal year, the positive or negative amount determined by the following formula is a prescribed amount for the particular reporting period of the investment plan that includes the reconciliation day:

A – B.

For the purposes of the formula in the first paragraph,

(1) A is the aggregate of all amounts each of which is an amount that would be the net tax for a reporting period of the investment plan that is included in the particular fiscal year if that net tax were determined,

(a) if no election under section 50 of the Selected Listed Financial Institutions Attribution Method (GST/HST) Regulations, or under section 433.19.4 of the Act, is in effect throughout the particular fiscal year, as if the investment plan's percentage for the series and as regards Québec for the taxation year preceding the particular taxation year were determined in accordance with the rules set out in section 63.1 of those Regulations and Québec were a participating province within the meaning of subsection 1 of section 123 of the Excise Tax Act; and

(b) if an election under section 50 of the Selected Listed Financial Institutions Attribution Method (GST/HST) Regulations, or under section 433.19.4 of the Act, is in effect throughout the particular fiscal year, as if the investment plan's percentage for the series and as regards Québec for the taxation year in which the particular fiscal year ends were determined in accordance with the rules set out in section 63.1 of those Regulations and Québec were a participating province within the meaning of subsection 1 of section 123 of the Excise Tax Act; and

(2) B is the aggregate of all amounts each of which is the net tax for a reporting period of the investment plan that is included in the particular fiscal year.

**"433.16.2R4.** If a selected listed financial institution is a stratified investment plan that, in respect of a series and a particular fiscal year that ends in a particular taxation year, has made an election under the third paragraph of section 433.16.2 of the Act, or under section 63 of the Selected Listed Financial Institutions Attribution Method (GST/HST) Regulations made under the Excise Tax Act (Revised Statutes of Canada, 1985, chapter E-15), for each particular reporting period in the particular fiscal year that ends after the attribution point in respect of the series for the taxation year preceding the particular taxation year and for each particular reporting period in the fiscal year that follows the particular fiscal year, the amount determined by the following formula is a prescribed amount:

$$[(A - B) / C] \times D \times (E / F).$$

For the purposes of the formula in the first paragraph,

(1) A is the aggregate of all amounts each of which is a prescribed amount of tax under paragraph a of section 63 of the Selected Listed Financial Institutions Attribution Method (GST/HST) Regulations or that would be so prescribed if the investment plan were a selected listed financial institution for the purposes of Part IX of the Excise Tax Act;

(2) B is the aggregate of all amounts each of which is an input tax credit of the investment plan under Part IX of the Excise Tax Act that is in respect of an amount of tax referred to in subparagraph 1;

(3) C is the total of the number of particular reporting periods in the particular fiscal year that end after the attribution point and the number of reporting periods in the fiscal year of the investment plan that immediately follows the particular fiscal year;

(4) D is,

(a) if no election under section 50 of the Selected Listed Financial Institutions Attribution Method (GST/HST) Regulations, or under section 433.19.4 of the Act, is in effect throughout the particular fiscal year, the investment plan's percentage that would be applicable for the series and as regards Québec for the taxation year preceding the particular taxation year for the purposes of subsection 2 of section 225.2 of the Excise Tax Act if Québec were a participating province within the meaning of subsection 1 of section 123 of that Act; and

(b) if an election under section 50 of the Selected Listed Financial Institutions Attribution Method (GST/HST) Regulations, or under section 433.19.4 of the Act, is in effect throughout the particular fiscal year, the investment plan's percentage that would be applicable for the series and as regards Québec for the particular taxation year for the purposes of subsection 2 of section 225.2 of the Excise Tax Act if Québec were a participating province within the meaning of subsection 1 of section 123 of that Act;

(5) E is the tax rate specified in the first paragraph of section 16 of the Act; and

(6) F is the tax rate specified in subsection 1 of section 165 of the Excise Tax Act.

For the purposes of this section and subject to the first paragraph of section 433.19.18 of the Act, "attribution point" has the meaning assigned by paragraph a of subsection 2 of section 58 of the Selected Listed Financial Institutions Attribution Method (GST/HST) Regulations.

**"433.16.2R5.** In the circumstances set out in the second paragraph, the positive amount determined by the following formula is a prescribed amount for a reporting period in a particular fiscal year, in respect of a taxation year, of a selected listed financial institution in respect of a particular series in the case of a stratified investment plan, or in respect of the investment plan in any other case:

$$50\% \times [(G_1 - G_2) / G_3 \times G_4] \times G_5 \times G_6 \times (G_7 / G_8).$$

The circumstances to which the first paragraph refers are as follows:

(1) an amount, other than an amount paid in a remote location, is an expense incurred by the financial institution to earn income from a business or property in a taxation year — in this section referred to as the "composite amount" — and that, as the case may be,

(a) becomes due from the financial institution or is an amount paid by the financial institution without having become due in respect of the supply of property or a service made to the financial institution; or

(b) is paid by the financial institution as an allowance or reimbursement in respect of which the financial institution is deemed under section 174 or 175 of the Excise Tax Act (Revised Statutes of Canada, 1985, chapter E-15) to have received a supply of property or a service;

(2) section 421.1 of the Taxation Act (chapter I-3) applies, or would apply if the financial institution were a taxpayer under that Act, to all of the composite amount or that part of it that is, for the purposes of that Act, an amount paid or payable in respect of the human consumption of food or beverages or the enjoyment of entertainment and section 421.1 of that Act deems the composite amount or that part to be 50% of a particular amount;

(3) the particular amount exceeds twice that of the amount determined under section 175.6.1 of the Taxation Act that is deductible in computing the financial institution's income for the taxation year from the business or property, or that would be so deductible if the financial institution were a taxpayer under that Act; and

(4) an amount of tax included in the composite amount and having become payable under Part IX of the Excise Tax Act or deemed under section 174 or 175 of that Act to have been paid by the financial institution is included in determining the input tax credit tax claimed by the financial institution in the return under Division V of Part IX of that Act filed by the financial institution for the particular reporting period.

For the purposes of the formula in the first paragraph,

(1)  $G_1$  is the particular amount referred to in subparagraph 2 of the second paragraph;

(2)  $G_2$  is twice the amount determined under section 175.6.1 of the Taxation Act that is deductible in computing the financial institution's income for the taxation year from the business or property, or that would be so deductible if the financial institution were a taxpayer under that Act;

(3)  $G_3$  is the composite amount;

(4)  $G_4$  is the aggregate of all amounts each of which is an amount in respect of an input tax credit taken into account in determining the amount under subparagraph 1 of the second paragraph of section 433.16.2 of the Act in respect of the particular series or the investment plan, as the case may be, for the particular reporting period, in respect of the composite amount;

(5)  $G_5$  is,

(a) where the particular fiscal year begins before 1 January 2020 and the financial institution is a large business,

(i) if the particular fiscal year ends before 1 January 2018, zero; and



(ii) in any other case, the quotient obtained when the aggregate of all amounts, each of which is the rate referred to in the fourth paragraph applicable on a particular day in the particular reporting period, is divided by the number of days in the particular reporting period; and

(b) in any other case, 1;

(6)  $G_6$  is the specified percentage of the financial institution as regards Québec for the particular reporting period within the meaning of section 433.16R7;

(7)  $G_7$  is the tax rate specified in the first paragraph of section 16 of the Act; and

(8)  $G_8$  is the tax rate specified in subsection 1 of section 165 of the Excise Tax Act.

The rate referred to in subparagraph ii of subparagraph a of subparagraph 5 of the third paragraph applicable on a particular day is,

(1) if the particular day is before 1 January 2018, 0%;

(2) if the particular day is after 31 December 2017 but before 1 January 2019, 25%;

(3) if the particular day is after 31 December 2018 but before 1 January 2020, 50%;

(4) if the particular day is after 31 December 2019 but before 1 January 2021, 75%; and

(5) if the particular day is after 31 December 2020, 100%.

In this section, "amount paid in a remote location", "business", "property" and "taxation year" have the meaning assigned by section 457.1.3 of the Act.

This section does not apply for the purposes of subdivision 8 of Division III of Chapter VIII of Title I of the Act or paragraph 1 of section 470.1 of the Act.

#### "INFORMATION — SELECTED LISTED FINANCIAL INSTITUTION

**"433.27R1.** For the purposes of the first paragraph of section 433.27 of the Act, the following is prescribed information in relation to a selected investor in a selected non-stratified investment plan for a calendar year:

(1) the investor's address that determines, in accordance with the second paragraph of section 433.15.3 of the Act, the province in which the investor is resident on 30 September of the calendar year; and

(2) the number of units held on 30 September of the calendar year by the investor in the investment plan.

**"433.27R2.** For the purposes of the second paragraph of section 433.27 of the Act, the following is prescribed information in relation to a selected investor in a selected stratified investment plan for a calendar year:

(1) the investor's address that determines, in accordance with the second paragraph of section 433.15.3 of the Act, the province in which the investor is resident on 30 September of the calendar year; and

(2) the number of units in each series, other than an exchange-traded series, of the investment plan held on 30 September of the calendar year by the investor.

**"433.30R1.** For the purposes of section 433.30 of the Act,

(1) every person that, on a date determined by an investment plan pursuant to section 433.19.18 of the Act, holds units in an investment plan that is a non-stratified investment plan, or units in a series, other than an exchange-traded series, of an investment plan that is a stratified investment plan, and that is neither an individual nor a specified investor in the investment plan within the meaning of the first paragraph of section 433.25 of the Act, is a prescribed person; and

(2) the address of the person referred to in paragraph 1 that determines, in accordance with the second paragraph of section 433.15.3 of the Act, the province in which the person is resident on the date referred to in paragraph 1, and the number of units held on that date by the person in the non-stratified investment plan, or in each series other than an exchange-traded series of the stratified investment plan, as the case may be, is prescribed information."

(2) Subsection 1 has effect from 1 January 2013, except that if the particular reporting period follows the reporting period that is deemed under the second paragraph of section 458.8 of the Act respecting the Québec sales tax (chapter T-0.1) to end on 31 December 2012, the following rules apply:

(1) the definition of "total B amounts" in section 433.16R2 of the Regulation is to be read as if paragraph 3 were replaced by the following:

"(3) in any other case, the total for B in the formula in subsection 2 of section 225.2 of the Excise Tax Act, or the total B would be if the financial institution were a selected listed financial institution for the purposes of Part IX of that Act, for the reporting period for the purposes of that Part IX that includes 1 January 2013;"

(2) section 433.16R4 of the Regulation is to be read

(a) as if subparagraph a of paragraph 2 were replaced by the following:

"(a) if an election under section 43 of the Selected Listed Financial Institutions Attribution Method (GST/HST) Regulations made under the Excise Tax Act (Revised Statutes of Canada, 1985, chapter E-15), or under section 433.16R5, is in effect throughout the particular reporting period, the percentage determined under subparagraph i of paragraph *b* of subsection 4 of section 42 of those Regulations for the reporting period for the purposes of Part IX of that Act that includes 1 January 2013, or the percentage that would be so determined for that reporting period if the financial institution were a selected listed financial institution for the purposes of Part IX of that Act; and";

(b) as if the portion of subparagraph *b* of paragraph 2 before subparagraph i were replaced by the following:

"(b) in any other case, the percentage that would be determined under subparagraph ii of paragraph *b* of subsection 4 of section 42 of the Selected Listed Financial Institutions Attribution Method (GST/HST) Regulations for the reporting period for the purposes of Part IX of the Excise Tax Act that includes 1 January 2013 if the financial institution were a selected listed financial institution for the purposes of Part IX of that Act and if";

(3) section 433.16R9 of the Regulation is to be read

(a) as if subparagraph *a* of subparagraph 2 of the second paragraph were replaced by the following:

"(a) the product obtained when the proportion that the number of days in the particular reporting period is of the number of days in the financial institution's reporting period for the purposes of Part IX of the Excise Tax Act that includes 1 January 2013 is multiplied by the total of all amounts included under any of subparagraphs i to v of the description of  $G_2$  in the formula in paragraph *a* of section 46 of the Selected Listed Financial Institutions Attribution Method (GST/HST) Regulations made under that Act, determined for the reporting period of the financial institution for the purposes of Part IX of that Act that includes 1 January 2013 or the total of all amounts that would be so determined for that reporting period if the financial institution were a selected listed financial institution for the purposes of Part IX of that Act; and";

(b) as if subparagraphs i and ii of subparagraph *b* of subparagraph 2 of the second paragraph were replaced by the following:

"(i) if the financial institution is not a selected listed financial institution for the purposes of Part IX of the Excise Tax Act, the product obtained when the proportion that the number of days in the particular reporting period is of the number of days in the financial institution's reporting period for the purposes of Part IX of that Act that includes 1 January 2013 is multiplied by the total of all amounts that would be included under subparagraph vi of the description of  $G_2$  in the formula in paragraph *a* of section 46 of the Selected Listed Financial Institutions Attribution Method (GST/HST) Regulations, determined for the reporting period of the financial institution for the purposes of Part IX of that Act that includes 1 January 2013 if the financial institution were a selected listed

financial institution for the purposes of that Part IX and the reference to "the supply is made at any time during the particular reporting period to another person that is a selected listed financial institution at that time and an election made by the financial institution and the other person under subsection 225.2(4) of the Act applies to the supply," in that subparagraph vi were read as "the supply is made at any time during the particular reporting period to another person that is, at that time, a selected listed financial institution, or a selected listed financial institution for the purposes of the Act respecting the Québec sales tax, R.S.Q., ch. T-0.1, and an election made by the financial institution and the other person under subsection 225.2(4) of the Act, or under section 433.17 of the Act respecting the Québec sales tax, applies to the supply,"; and

"(ii) in any other case, the product obtained when the proportion that the number of days in the particular reporting period is of the number of days in the financial institution's reporting period for the purposes of Part IX of the Excise Tax Act that includes 1 January 2013 is multiplied by the total of all amounts included under subparagraph vi of the description of  $G_2$  in the formula in paragraph a of section 46 of the Selected Listed Financial Institutions Attribution Method (GST/HST) Regulations, determined for the reporting period of the financial institution for the purposes of Part IX of that Act that includes 1 January 2013;"

(c) as if subparagraph 3 of the second paragraph were replaced by the following:

"(3)  $G_3$  is the product obtained when the proportion that the number of days in the particular reporting period is of the number of days in the financial institution's reporting period for the purposes of Part IX of the Excise Tax Act that includes 1 January 2013 is multiplied by the total for  $G_3$  in the formula in paragraph a of section 46 of the Selected Listed Financial Institutions Attribution Method (GST/HST) Regulations, determined for the reporting period of the financial institution for the purposes of Part IX of that Act that includes 1 January 2013 or the total that  $G_3$  would be for that reporting period if the financial institution were a selected listed financial institution for the purposes of Part IX of that Act;"

(4) section 433.16R10 of the Regulation is to be read

(a) as if subparagraphs a and b of subparagraph 1 of the second paragraph were replaced by the following:

"(a) the product obtained when the proportion that the number of days in the particular reporting period is of the number of days in the financial institution's reporting period for the purposes of Part IX of the Excise Tax Act (Revised Statutes of Canada, 1985, chapter E-15) that includes 1 January 2013 is multiplied by the amount determined for  $G_7$  in the formula in paragraph b of section 46 of the Selected Listed Financial Institutions Attribution Method (GST/HST) Regulations made under that Act, determined for the reporting period of the financial institution for the purposes of Part IX of that Act that includes 1 January 2013, or the amount that would be determined for  $G_7$  for that reporting period if the financial institution were a selected listed financial institution for the purposes of Part IX of that Act; and

"(b) if the financial institution is not a selected listed financial institution for the purposes of Part IX of the Excise Tax Act and has made an election under section 150 of that Act in respect of a supply that another person at a particular time made in favour of the financial institution and the other person is a selected listed financial institution for the purposes of that Part IX,

(i) if section 433.16 of the Act applies, the product obtained when the proportion that the number of days in the particular reporting period is of the number of days in the financial institution's reporting period for the purposes of Part IX of the Excise Tax Act that includes 1 January 2013 is multiplied by the amount that would be included in the value of B in the formula in subsection 2 of section 225.2 of that Act, for the reporting period of the financial institution for the purposes of Part IX of that Act that includes 1 January 2013, that would be an input tax credit if tax under subsection 1 of section 165 of that Act had become payable in respect of the supply in the reporting period, if the financial institution were a selected listed financial institution for the purposes of Part IX of that Act; or

(ii) if section 433.16.2 of the Act applies, the amount taken into account in determining the value of A in the formula in the first paragraph of that section 433.16.2, for the particular reporting period, that would be an input tax credit if tax under subsection 1 of section 165 of the Excise Tax Act had become payable in respect of the supply in the particular reporting period;"

(b) as if subparagraph a of subparagraph 2 of the second paragraph were replaced by the following:

"(a) the product obtained when the proportion that the number of days in the particular reporting period is of the number of days in the financial institution's reporting period for the purposes of Part IX of the Excise Tax Act that includes 1 January 2013 is multiplied by the amounts included under subparagraph i of the description of  $G_8$  in the formula in paragraph b of section 46 of the Selected Listed Financial Institutions Attribution Method (GST/HST) Regulations, determined for the reporting period of the financial institution for the purposes of Part IX of that Act that includes 1 January 2013, or the amounts that would be so included for that reporting period if the financial institution were a selected listed financial institution for the purposes of Part IX of that Act; and";

(c) as if subparagraph i of subparagraph b of subparagraph 2 of the second paragraph were replaced by the following:

"(i) if the other person is a selected listed financial institution for the purposes of Part IX of the Excise Tax Act, the product obtained when the proportion that the number of days in the particular reporting period is of the number of days in the financial institution's reporting period for the purposes of Part IX of that Act that includes 1 January 2013 is multiplied by an amount included under subparagraph ii of the description of  $G_8$  in the formula in paragraph *b* of section 46 of the Selected Listed Financial Institutions Attribution Method (GST/HST) Regulations for the reporting period of the financial institution for the purposes of Part IX of that Act that includes 1 January 2013 or that would be so included for that reporting period if the financial institution were a selected listed financial institution for the purposes of that Part IX; and";

(d) as if the portion of subparagraph ii of subparagraph *b* of subparagraph 2 of the second paragraph before subparagraph ii of the description of  $G_8$  in the formula in paragraph *b* of section 46 of the Selected Listed Financial Institutions Attribution Method (GST/HST) Regulations made under the Excise Tax Act (Revised Statutes of Canada, 1985, chapter E-15), enacted by that subparagraph ii, were replaced by the following:

"(ii) in any other case and if the financial institution is not a selected listed financial institution for the purposes of Part IX of the Excise Tax Act, the product obtained when the proportion that the number of days in the particular reporting period is of the number of days in the financial institution's reporting period for the purposes of Part IX of that Act that includes 1 January 2013 is multiplied by an amount that would be included under subparagraph ii of the description of  $G_8$  in the formula in paragraph *b* of section 46 of the Selected Listed Financial Institutions Attribution Method (GST/HST) Regulations for the reporting period of the financial institution for the purposes of Part IX of that Act that includes 1 January 2013 if the financial institution were a selected listed financial institution for the purposes of that Part IX and that subparagraph were read as follows:";

(e) as if subparagraph *c* of subparagraph 2 of the second paragraph were replaced by the following:

"(c) if the financial institution is not a selected listed financial institution for the purposes of Part IX of the Excise Tax Act and has made an election under section 150 of that Act in respect of a supply that another person at a particular time made in favour of the financial institution and the other person is a selected listed financial institution for the purposes of that Part IX,

(i) if section 433.16 of the Act applies, the product obtained when the proportion that the number of days in the particular reporting period is of the number of days in the financial institution's reporting period for the purposes of Part IX of the Excise Tax Act that includes 1 January 2013 is multiplied by the amount that would be included in the value determined for *A* in the formula in subsection 2 of section 225.2 of that Act, for the financial institution's reporting period for the purposes of Part IX of that Act that includes 1 January 2013, that would be tax under subsection 1 of section 165 of that Act that would have become payable in respect of that supply in that reporting period in the absence of that election if the financial institution were a selected listed financial institution for the purposes of Part IX of that Act; or

(ii) if section 433.16.2 of the Act applies, the amount taken into account in determining the value for A in the formula in the first paragraph of that section 433.16.2, for the particular reporting period, that would be tax under subsection 1 of section 165 of the Excise Tax Act that would have become payable in respect of that supply in the particular reporting period in the absence of that election;"

(5) section 433.16R11 of the Regulation is to be read

(a) as if the portion of subparagraph a of subparagraph 1 of the second paragraph before the formula were replaced by the following:

"(a) if the financial institution is a large business at any time in the particular reporting period, the product obtained when the proportion that the number of days in the particular reporting period is of the number of days in the financial institution's reporting period for the purposes of Part IX of the Excise Tax Act (Revised Statutes of Canada, 1985, chapter E-15) that includes 1 January 2013 is multiplied by the aggregate of all amounts each of which is, in respect of a specified class of specified property or service, an amount determined by the formula";

(b) as if subparagraphs a to c of subparagraph 1 of the third paragraph were replaced by the following:

"(a) all amounts each of which is the product obtained when an amount of tax, other than an amount of tax that is a prescribed amount of tax for the purposes of paragraph a of the description of A in the formula in subsection 2 of section 225.2 of the Excise Tax Act or an amount under subparagraph b of subparagraph 2 of the second paragraph of section 433.16R9, that became payable under subsection 1 of section 165 of that Act or under any of sections 212, 218 and 218.01 of that Act by the financial institution during the reporting period for the purposes of Part IX of that Act that includes 1 January 2013 in respect of a supply or importation into Canada of property or a service, is multiplied by the specified extent of the property or service in respect of the specified class for the reporting period;

"(b) all amounts each of which is the product obtained when an amount of tax under subsection 1 of section 165 of the Excise Tax Act in respect of a supply of property or a service, other than a supply to which subparagraph c applies, made by a person to the financial institution that would, in the absence of an election under section 150 of that Act, have become payable by the financial institution during the reporting period for the purposes of Part IX of that Act that includes 1 January 2013, is multiplied by the specified extent of the property or service in respect of the specified class for the reporting period;

"(c) all amounts each of which is the product obtained when an amount, in respect of a supply of property or a service, made during the reporting period for the purposes of Part IX of the Excise Tax Act that includes 1 January 2013, to which an election made by the financial institution and another person under subsection 4 of section 225.2 of the Excise Tax Act or under section 433.17 of the Act applies, equal to tax under subsection 1 of section 165 of the Excise Tax Act calculated on the cost to the other person of supplying the property or service to the financial institution, excluding any remuneration to employees of the other person, the cost of financial services and tax under Part IX of the Excise Tax Act, is multiplied by the specified extent of the property or service in respect of the specified class for the reporting period;"

(c) as if the portion of subparagraph *d* of subparagraph 1 of the third paragraph before subparagraph *i* were replaced by the following:

"(d) all amounts each of which is the product obtained when an amount of tax, other than an amount of tax that is a prescribed amount of tax for the purposes of paragraph *a* of the description of *A* in the formula in subsection 2 of section 225.2 of the Excise Tax Act, that would have been payable under subsection 1 of section 165 of that Act or under any of sections 212, 218 and 218.01 of that Act by the financial institution during the reporting period for the purposes of Part IX of that Act that includes 1 January 2013 in respect of a supply or importation into Canada of property or a service, is multiplied by the specified extent of the property or service in respect of the specified class for the reporting period if,"

(d) as if the portion of subparagraph *e* of subparagraph 1 of the third paragraph before the formula were replaced by the following:

"(e) if the specified class is qualifying road vehicles and the financial institution is engaged in the business of supplying such road vehicles by way of sale, all amounts each of which is, for a selected road vehicle described in subparagraph *a* of paragraph 6 of the definition of "excluded property or service" in section 433.16R2 that was acquired or imported into Canada by the financial institution and is used by the financial institution, at any time in the reporting period for the purposes of Part IX of the Excise Tax Act that includes 1 January 2013, otherwise than exclusively for the purpose referred to in that subparagraph *a*, an amount determined by the formula";

(e) by replacing subparagraph 11 of the third paragraph by the following:

"(11) *K* is the product obtained when the proportion that the number of days in the particular reporting period is of the number of days in the financial institution's reporting period for the purposes of Part IX of the Excise Tax Act that includes 1 January 2013 is multiplied by the amount of the input tax credit in respect of the selected road vehicle under subsection 1 of section 203 of that Act that was claimed by the financial institution in the return under Division V of Part IX of that Act filed by the financial institution for the reporting period for the purposes of Part IX of that Act that is included in the total *B* amounts for the particular reporting period;"

(f) as if subparagraph 2 of the fourth paragraph were replaced by the following:



"(2) P is the number of fiscal months in the reporting period for the purposes of Part IX of the Excise Tax Act that includes 1 January 2013 during which the road vehicle was used otherwise than exclusively for the purpose referred to in subparagraph a of paragraph 6 of the definition of "excluded property or service" in section 433.16R2.";

(6) section 433.16R12 of the Regulation is to be read as if subparagraph 1 of the second paragraph were replaced by the following:

"(1)  $G_1$  is the product obtained when the proportion that the number of days in the particular reporting period is of the number of days in the financial institution's reporting period for the purposes of Part IX of the Excise Tax Act (Revised Statutes of Canada, 1985, chapter E-15) that includes 1 January 2013 is multiplied by the total of all amounts each of which is an amount of tax that was paid or that became payable by the financial institution under subsection 1 of section 165 of that Act or under any of sections 212, 218 and 218.01 of that Act during a reporting period for the purposes of Part IX of that Act that ends before 1 January 2013 and in respect of which the financial institution has claimed an input tax credit in the return under Division V of Part IX of that Act filed by the financial institution for the reporting period for the purposes of that Part IX that includes 1 January 2013, to the extent that the amount is included in the total B amounts for the particular reporting period;"

(7) section 433.16R13 of the Regulation is to be read as if subparagraph 1 of the second paragraph were replaced by the following:

"(1)  $G_1$  is the product obtained when the proportion that the number of days in the particular reporting period is of the number of days in the financial institution's reporting period for the purposes of Part IX of the Excise Tax Act (Revised Statutes of Canada, 1985, chapter E-15) that includes 1 January 2013 is multiplied by the value of  $G_{40}$  in the formula in paragraph *h* of section 46 of the Selected Listed Financial Institutions Attribution Method (GST/HST) Regulations made under that Act, determined for the reporting period for the purposes of Part IX of that Act that includes 1 January 2013 or the value that  $G_{40}$  would have for that reporting period if the financial institution were a selected listed financial institution for the purposes of Part IX of that Act;"

(3) Despite the foregoing, for the purposes of section 433.16R9 of the Regulation, the following rules apply:

(1) if an amount would be included in the total under subparagraph *a* of subparagraph 2 of the second paragraph of that section 433.16R9 because of subparagraph *iii* of the description of  $G_2$  in the formula in paragraph *a* of section 46 of the Selected Listed Financial Institutions Attribution Method (GST/HST) Regulations, the amount is deemed to be the amount that would have been determined under subsection 2 of section 261.01 of the Excise Tax Act if the rate of 33% under paragraphs *a* to *c* of the description of *A* in the formula in the definition of "pension rebate amount" in subsection 1 of that section 261.01 were replaced by one of the rates in subsection 4, if the amount is in relation to

(a) an amount of tax that became payable before 1 January 2013 or an amount deemed to have been paid before that date under subparagraph ii of paragraph *d* of subsection 5 of section 172.1 of the Excise Tax Act, subparagraph ii of paragraph *d* of subsection 6 of that section 172.1 or paragraph *d* of subsection 7 of that section 172.1; or

(b) an amount of tax deemed to have been paid after 31 December 2012 under subparagraph ii of paragraph *d* of subsection 5 of section 172.1 of the Excise Tax Act or subparagraph ii of paragraph *d* of subsection 6 of that section 172.1, to the extent that the deemed amount of tax is in respect of a taxable supply for which an amount of tax became payable under Part IX of that Act before 1 January 2013, otherwise than under that section 172.1; and

(2) if an amount in respect of a tax adjustment note would be included in the total under subparagraph 3 of the second paragraph of that section 433.16R9 because of clause C or D of subparagraph iii of the description of  $G_3$  in the formula in paragraph *a* of section 46 of the Selected Listed Financial Institutions Attribution Method (GST/HST) Regulations, the amount in respect of that tax adjustment note under clause C or D is deemed to be the amount that would apply if the rate of 33% set out in B in the formula in paragraph *c* of subsection 5 of section 232.01 of the Excise Tax Act and in B of the formula in paragraph *c* of subsection 4 of section 232.02 of that Act were replaced by a rate set out in subsection 4, if the tax adjustment note relates to

(a) an amount under paragraph *c* of subsection 3 of section 232.01 of that Act that became payable, or was paid without having become payable, before 1 January 2013 as well as to an amount under paragraph *b* of that subsection 3; or

(b) an amount under paragraph *c* of subsection 2 of section 232.02 of that Act that became payable, or was paid without having become payable, before 1 January 2013 as well as to an amount under paragraph *b* of that subsection 2.

(4) The rates to which subsection 3 refers are as follows:

(1) 77% if a pension entity is governed by a pension plan to which more than 50% of the contributions are made by one or more public service bodies not entitled to a rebate under subsection 3 of section 259 of the Excise Tax Act;

(2) 88% if a pension entity is governed by a pension plan to which more than 50% of the contributions are made by one or more public service bodies entitled to a rebate under subsection 3 of section 259 of the Excise Tax Act; and

(3) 100% in any other case.

(5) Despite the foregoing, if section 433.16R17 of the Regulation applies in respect of a reporting period in a fiscal year that ends in the calendar year 2013 and that is the fiscal year that follows the particular fiscal year in respect of which an election under section 60 of the Selected Listed Financial Institutions Attribution Method (GST/HST) Regulations was made, section 433.16R17 of the Regulation is to be read as if subparagraph 1 of the second paragraph were replaced by the following:

"(1) A is the aggregate of all amounts each of which is a prescribed amount of tax under paragraph a of section 60 of the Selected Listed Financial Institutions Attribution Method (GST/HST) Regulations, to the extent that the amount of tax became payable after 31 December 2012;"

(6) Despite the foregoing, if section 433.16.2R4 of the Regulation applies in respect of a reporting period in a fiscal year that ends in the calendar year 2013 and that is the fiscal year that follows the particular fiscal year in respect of which an election under section 63 of the Selected Listed Financial Institutions Attribution Method (GST/HST) Regulations was made, section 433.16.2R4 of the Regulation is to be read as if subparagraph 1 of the second paragraph were replaced by the following:

"(1) A is the aggregate of all amounts each of which is a prescribed amount of tax under paragraph a of section 63 of the Selected Listed Financial Institutions Attribution Method (GST/HST) Regulations, to the extent that the amount of tax became payable after 31 December 2012;"

**5.** (1) Schedule II to the Regulation is amended by inserting "Sections 433.15.1 to 433.32 of the Act" after "Sections 426 to 432 of the Act".

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

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