

Draft Regulations

Draft Regulation

Act respecting municipal taxation
(chapter F-2.1)

Compensations in lieu of taxes — Amendment

Notice is hereby given, in accordance with sections 10, 12 and 13 of the Regulations Act (chapter R-18.1), that the Regulation to amend the Regulation respecting compensations in lieu of taxes, appearing below, may be made by the Government on the expiry of 10 days following this publication.

In accordance with section 12 of the Regulations Act, the draft Regulation may be made on the expiry of a shorter publication period than the period provided for in section 11 of that Act, since the Government is of the opinion that the draft Regulation is designed to establish, amend or repeal norms of a fiscal nature.

The draft Regulation sets out rules for computing the aggregate taxation rate of a local municipality for the purpose of computing the amount to stand in lieu of any tax or compensation that the Government must pay in respect of certain immovables.

It also amends, for fiscal years 2022 to 2024, the method for computing the amount to stand in lieu of any tax or compensation that the Government must pay in respect of the immovables or business establishments referred to in the first paragraph of section 255 of the Act respecting municipal taxation (chapter F-2.1) whose owner or occupant is the State. It also increases, for the same fiscal years, the percentage of the aggregate taxation rate used to compute such an amount in respect of the immovables referred to in the second, third and fourth paragraphs of that section.

Lastly, the draft Regulation determines the cases where a summary of the roll stands in lieu of a demand for payment of the compensation, prescribes rules of payment or refunding applicable to the amounts paid and provides for the exclusion of certain immovables from a category referred to in section 255 of the Act.

Further information concerning the draft Regulation may be obtained by contacting Marc-André Leblanc, Direction des programmes fiscaux et d'adaptation aux changements climatiques, Ministère des Affaires municipales

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Any person wishing to comment on the draft Regulation is requested to submit written comments within the 10-day period to Marc-André Leblanc at the above contact information.

ANDRÉE LAFOREST
Minister of Municipal Affairs and Housing

Regulation to amend the Regulation respecting compensations in lieu of taxes

Act respecting municipal taxation
(chapter F-2.1, s. 262, 1st par., subpar. 2, and s. 263.1)

1. The Regulation respecting compensations in lieu of taxes (chapter F-2.1, r. 2) is amended in section 1 by adding the following paragraph at the end:

“Notwithstanding the third paragraph, land in the domain of the State remains excluded when comprised exclusively of land whose value entered on the roll is less than \$50,000.”.

2. Division 2 is replaced by the following:

“DIVISION 2 AGGREGATE TAXATION RATE

3. This Division sets out rules for the establishment of the aggregate taxation rate of a local municipality to compute, for the purposes of section 210 or 255 of the Act, the amount of money that must be paid to the local municipality in respect of certain immovables.

4. The aggregate taxation rate of a local municipality for a fiscal year is the quotient obtained by dividing the total amount of the revenues of the local municipality for the preceding fiscal year, taken into consideration in accordance with section 5, by the total amount of the taxable values for the preceding fiscal year, taken into consideration in accordance with section 5.2.

The quotient resulting from the division under the first paragraph is expressed as a six decimal number, rounded up if the seventh decimal is greater than 4.

5. For the purpose of establishing the aggregate taxation rate, the revenues of the local municipality taken into consideration are those deriving from

(1) the product obtained by multiplying the total of the value of the taxable immovables on the roll that are entered on the local municipality's summary of the property assessment roll produced in accordance with section 12 of the Regulation respecting the real estate assessment roll (chapter F-2.1, r. 13) or, if the local municipality provides for the averaging of the variation in the taxable values in accordance with Division IV.3 of Chapter XVIII of the Act in respect of the local municipality's property assessment roll, by multiplying the total of the adjusted value of the taxable immovables on the date of deposit of the local municipality's collection roll by the sum of the following rates:

(a) the basic general property tax rate or, if the local municipality results from an amalgamation and fixed different general property tax rates according to the territories of the local municipalities having ceased to exist on amalgamation, the basic general property tax rate of the local municipality with the highest population before the amalgamation;

(b) the basic rate of any special property tax imposed on the whole territory of the municipality, to the extent that the special property tax is not covered by paragraph 2;

(2) special property taxes imposed on ratepayers from part of the territory of the local municipality, the special annual tax imposed for the benefit of a financial reserve to finance expenditures related to the supply of water or to roads, taxes other than property taxes, compensations and modes of tariffing that the local municipality imposes on the owner, lessee or occupant of an immovable.

5.1. Section 261.5.6.1 of the Act applies for the purpose of establishing revenues taken into consideration under section 5, with the necessary modifications.

5.2. For the purpose of establishing the aggregate taxation rate, the taxable values taken into consideration are those entered on the local municipality's summary of the property assessment roll produced in accordance with section 12 of the Regulation respecting the real estate assessment roll (chapter F-2.1, r. 13) or, if the local municipality provides for the averaging of the variation in the taxable values in accordance with Division IV.3 of Chapter XVIII of the Act in respect of the local municipality's property assessment roll, the taxable values on the date of deposit of the local municipality's collection roll."

3. Section 6 is amended by replacing "The" in the first paragraph by "Subject to section 57 of the Public Infrastructure Act (chapter I-8.3), the".

4. The heading of Division 4 is amended by striking out "TIME LIMIT FOR".

5. The following is inserted after section 7:

"**7.1.** A summary of the roll, produced in accordance with section 12 of the Regulation respecting the real estate assessment roll (chapter F-2.1, r. 13) for the preceding fiscal year, stands in lieu of a demand for payment in respect of the immovables of the local municipality referred to in section 210 or the second paragraph of section 254.1 of the Act."

6. Subdivision 1 of Division 5 is replaced by the following:

"**§1.** *Payment of the compensation in respect of the immovables for which the amount that must be paid is based on a percentage of the aggregate taxation rate*

8. The Minister of Municipal Affairs, Regions and Land Occupancy must pay to the local municipality the amount to which the local municipality is entitled based on the percentage and the aggregate taxation rate applicable for the fiscal year for which the compensation is payable.

The payment must be made by 10 June of the year or within 60 days following receipt by the Minister of the local municipality's financial report for the year, whichever is later.

For the purposes of the second paragraph, a financial report is deemed to have been received only if it complies with the Act governing the local municipality in that matter."

7. The following is inserted before subdivision 3 of Division 5:

"**§2.1.** *Terms of payment*

15. The amounts of money paid by the Minister of Municipal Affairs, Regions and Land Occupancy under the second paragraph of section 210 or section 254 of the Act must be made as a single payment to the local municipality for all immovables situated in its territory. No annual payment is payable if less than \$100.

The first paragraph does not apply to the immovables referred to in the first paragraph of section 254.1 of the Act."

8. Section 16 is replaced by the following:

"**16.** Section 245 of the Act applies, with the necessary modifications, to determine in which cases an alteration to the roll of a local municipality entails, in respect of a

compensation for an immovable referred to in the first paragraph of section 254.1 of the Act, the obligation to pay additional compensation or refund an amount collected in excess.

The third paragraph of section 254.1 of the Act applies to determine in which cases an alteration to the roll of a local municipality entails such an obligation in respect of another immovable. In that case, no additional compensation or amount collected in excess is due if it is less than \$100 for all immovables situated in the territory of a local municipality.

Section 245 of the Act applies, with the necessary modifications, to establish the amount of additional compensation or amount collected in excess.

Despite the foregoing, the aggregate taxation rate used to compute the amount of the compensation referred to in Subdivision 1 and established for a fiscal year is not affected by an alteration to the roll that is made after the date on which the roll is taken into consideration in establishing the rate.”

9. Section 32.1 is amended by replacing “2024” in the first paragraph by “2021”.

10. The following is inserted after section 32.3:

“**32.4.** The amount to stand in lieu of any tax or compensation that the Government must pay for any of the fiscal years 2022 to 2024 to any local municipality in respect of an immovable or business establishment referred to in the first paragraph of section 255 of the Act whose owner or occupant is the State is equal to the product obtained by multiplying the non-taxable value of the immovable for the preceding fiscal year by 135% of the aggregate taxation rate of the local municipality established under section 2.

32.5. For the purposes of the second and third paragraphs of section 255 of the Act, for the purpose of computing an amount payable for any of the fiscal years 2022 to 2024, the multiplier “80%” specified in those paragraphs is replaced by the multiplier “100%”.

For the purposes of the fourth paragraph of that section, for the purpose of computing an amount payable for any of the fiscal years 2022 to 2024, the multiplier “25%” specified in that paragraph is replaced by the multiplier “82%”.

32.6. Section 7.1 applies only from the fiscal year 2024 in respect of an immovable or part of an immovable that becomes non-taxable due to a change arising from the

application of the sixth paragraph of section 208 of the Act, as amended by section 115 of Chapter 31 of the Statutes of 2021.”

11. This Regulation comes into force on 1 January 2022, except section 1, which comes into force on 1 January 2024.

105358

Draft Regulation

Act respecting municipal taxation
(chapter F-2.1)

Municipal and school tax system applicable to the governments of the other provinces, foreign governments and international bodies

— Amendment

Notice is hereby given, in accordance with sections 10, 12, and 13 of the Regulations Act (chapter R-18.1), that the Regulation to amend the Regulation respecting the municipal and school tax system applicable to the governments of the other provinces, foreign governments and international bodies, appearing below, may be made by the Government on the expiry of 10 days following this publication.

In accordance with section 12 of the Regulations Act, the draft Regulation may be made on the expiry of a shorter publication period than the period provided for in section 11 of that Act, since the Government is of the opinion that the draft Regulation is designed to establish, amend or repeal norms of a fiscal nature.

The draft Regulation amends, for fiscal years 2022 to 2024, the method for computing the amount to stand in lieu of any tax or compensation that the Government must pay to local municipalities under the Regulation. It also makes a consequential amendment required due to the change in the organization and governance of the school boards that became school service centres.

Further information concerning the draft Regulation may be obtained by contacting Marc-André Leblanc, Direction des programmes fiscaux et d’adaptation aux changements climatiques, Ministère des Affaires municipales et de l’Habitation, 10, rue Pierre-Olivier-Chauveau, aile Chauveau, 1^{er} étage, Québec (Québec) G1R 4J3; telephone: 418 691-2015, extension 83712; email: marc-andre.leblanc@mamh.gouv.qc.ca.