

M.O., 2024**Order of the Minister of Municipal Affairs dated
31 October 2024**

Act respecting the Ministère des Affaires municipales,
des Régions et de l'Occupation du territoire
(chapter M-22.1)

Act to amend the Act respecting municipal taxation and
other legislative provisions
(2023, chapter 33)

Regulation respecting the apportionment among mun-
icipalities of the amount representing the increase in a
portion of the Québec sales tax

THE MINISTER OF MUNICIPAL AFFAIRS,

CONSIDERING section 21.27 of the Act respecting
the Ministère des Affaires municipales, des Régions et
de l'Occupation du territoire (chapter M-22.1), made by
section 79 of the Act to amend the Act respecting mun-
icipal taxation and other legislative provisions (2023,
chapter 33), which provides that the apportionment
between the municipalities of the amount determined
under section 21.26 of the Act respecting the Ministère des
Affaires municipales, des Régions et de l'Occupation du
territoire is to be made according to the terms established
by a regulation of the Minister of Municipal Affairs;

CONSIDERING that, in accordance with sections 10
and 11 of the Regulations Act (chapter R-18.1), the draft
Regulation respecting the apportionment among munici-
palities of the amount representing the increase in a por-
tion of the Québec sales tax was published in Part 2 of
the *Gazette officielle du Québec* of 27 August 2024 with
a notice that it could be made on the expiry of 45 days
from that publication;

CONSIDERING that it is expedient to make the
Regulation with amendment;

ORDERS AS FOLLOWS:

The Regulation respecting the apportionment among
municipalities of the amount representing the increase in
a portion of the Québec sales tax, attached to this Order,
is made.

Québec, 31 October 2024

ANDRÉE LAFOREST
Minister of Municipal Affairs

**Regulation respecting the apportionment
among municipalities of the amount
representing the increase in a portion of
the Québec sales tax**

Act respecting the Ministère des Affaires municipales,
des Régions et de l'Occupation du territoire
(chapter M-22.1, s. 21.27).

Act to amend the Act respecting municipal taxation and
other legislative provisions
(2023, chapter 33, s. 79).

**CHAPTER I
PURPOSE**

1. This Regulation establishes the terms for the ap-
portionment among municipalities of the amount deter-
mined under section 21.26 of the Act respecting the Ministère
des Affaires municipales, des Régions et de l'Occupation
du territoire (chapter M-22.1), hereinafter referred to as
“amount established under the Act”.

**CHAPTER II
ELIGIBLE MUNICIPALITIES**

2. The following municipalities are eligible for the
apportionment of the amount established under the Act:

(1) local municipalities, except those constituted
under The Cree Villages and the Naskapi Village Act
(chapter V-5.1), the Paroisse de Notre-Dame-des-Anges,
the Municipalité de Saint-Benoît-du-Lac and the Paroisse
de Saint-Louis-de-Gonzague-du-Cap-Tourmente; and

(2) regional county municipalities, in respect of the
unorganized territory included in their territory if this
territory is inhabited.

**CHAPTER III
DEFINITIONS**

3. For the purpose of calculating the apportionment
of the amount established under the Act for a particular
fiscal year,

(1) the population of a municipality corresponds,

(a) except in the cases referred to in subparagraphs *b*
and *c*, to the population determined for the fiscal year
that precedes the particular fiscal year in an order of
the Government made pursuant to section 29 of the
Act respecting municipal territorial organization

(chapter O-9) or section 3 of the Act respecting Northern villages and the Kativik Regional Government (chapter V-6.1), as the case may be;

(b) if the municipality is a regional county municipality, to the population determined by such an order for the unorganized territory included in its territory for the fiscal year that precedes the particular fiscal year;

(c) if the municipality is the result of an amalgamation that came into force after the publication of such an order for the fiscal year that precedes the particular fiscal year, to the sum of the populations established in the order for the former municipalities whose territories were amalgamated;

(2) the economic health index of a municipality corresponds,

(a) except in the cases referred to in subparagraphs *b* and *c*, to the economic health index in the latest list published by the Institut de la statistique du Québec for that index on 1 September of the fiscal year that precedes the particular fiscal year;

(b) if the municipality is a regional county municipality and an economic health index is established in that list for all or part of the unorganized territory included in its territory, to the lowest of those indexes;

(c) if the municipality is the result of an amalgamation that came into force after the publication of that list and an economic health index is established in the list for all or part of the former municipalities whose territories were amalgamated, to the lowest of those indexes;

(3) the index of remoteness of a municipality corresponds,

(a) except in the cases referred to in subparagraph *b*, to the index established in the latest list published by Statistics Canada for that index on 1 September of the fiscal year that precedes the particular fiscal year;

(b) if the list contains no index for a municipality,

i. if the municipality is a regional county municipality and an index of remoteness is established in that list for all or part of the unorganized territory included in its territory, to the highest of those indexes;

ii. if the municipality is the result of an amalgamation that came into force after the publication of that list and an index of remoteness is established in the list for all or part of the former municipalities whose territories were amalgamated, to the highest of those indexes;

iii. in all other cases, to the average of the indexes established in that list for the municipalities that are part of the same administrative region, as described in Schedule I of the Décret concernant la révision des limites des régions administratives du Québec (chapter D-11, r. 1).

CHAPTER IV APPORTIONMENT OF THE AMOUNT ESTABLISHED UNDER THE ACT

DIVISION I CALCULATION OF THE AMOUNT ATTRIBUTED TO EACH ELIGIBLE MUNICIPALITY

4. The amount attributed to each eligible municipality for a particular fiscal year corresponds, except in the case referred to in section 5, to the sum of the amounts that are attributed to the municipality under the first and second parts.

5. The amount attributed to a municipality that is the result of an amalgamation that came into force after 1 September of the fiscal year that preceded the particular fiscal year corresponds to the sum of the amounts that would have been attributed under section 4 to the former municipalities whose territories have been amalgamated.

DIVISION II FIRST PART

§1. Amount attributed under the first part

6. The amount attributed for a particular fiscal year to eligible municipalities under the first part corresponds to 90% of the amount established under the Act.

§2. Calculation of the amounts attributed to eligible municipalities that do not have an economic health index

7. The amount attributed for a particular fiscal year to each of the eligible municipalities that do not have an economic health index is determined according to the following formula:

$$(A / B) \times 39.$$

In the formula referred to in the first paragraph,

(1) the letter A represents the amount established under the Act; and

(2) the letter B represents the population of all eligible municipalities.

The result of the calculation is rounded to the nearest multiple of 10.

§3. *Multiplication factor*

8. For the purpose of subdivision 4, the multiplication factor attributed to each eligible municipality that has an economic health index corresponds to

- (1) 1.30, if its economic health index is below -15;
- (2) 1.15, if its economic health index is equal to or above -15 and below -10;
- (3) 1.10, if its economic health index is equal to or above -10 and below -5;
- (4) 1.05, if its economic health index is equal to or above -5 and below 0;
- (5) 1, if its economic health index is equal to or above 0.

§4. *Calculation of the amounts attributed to eligible municipalities that have an economic health index*

9. The amount attributed for a particular fiscal year to each of the eligible municipalities that are not referred to in section 7 is determined according to the following formula:

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

In the formula provided in the first paragraph,

- (1) the letter A represents the amount attributed to eligible municipalities under the first part;
- (2) the letter B represents the total of the amounts attributed under section 7;
- (3) the letter C represents the population of the municipality;
- (4) the letter D represents the multiplication factor for the municipality;
- (5) the letter E represents the sum of the values obtained by multiplying the letters C and D for all municipalities referred to in this section.

The result of the calculation is rounded to the nearest whole number.

**DIVISION III
SECOND PART**

§1. *Amount attributed under the second part*

10. The amount attributed for a particular fiscal year to eligible municipalities under the second part corresponds to 10% of the amount established under the Act.

§2. *Multiplication factor*

11. For the purpose of subdivision 3, the multiplication factor attributed to each of the eligible municipalities corresponds to the sum of the factors attributed to the municipality under sections 12 and 13.

12. Each eligible municipality is attributed a factor, which is

- (1) 5, if its economic health index is below -15;
- (2) 4, if its economic health index is equal to or above -15 and below -10;
- (3) 3, if its economic health index is equal to or above -10 and below -5;
- (4) 2, if its economic health index is equal to or above -5 and below 0;
- (5) 0, if its economic health index is equal to or above 0.

13. Each eligible municipality is attributed a factor, which is

- (1) 6.5 if its index of remoteness is above 0.5;
- (2) 5, if its index of remoteness is above 0.4 and equal to or below 0.5;
- (3) 3.5, if its index of remoteness is above 0.3 and equal to or below 0.4;
- (4) 2, if its index of remoteness is above 0.2 and equal to or above 0.3;
- (5) 0, if its index of remoteness is equal to or below 0.2.

§3. *Calculation of the amounts attributed under the second part*

14. An amount is attributed to each of the eligible municipalities whose multiplication factor is above 0.

15. The amount attributed for a particular fiscal year to each of the municipalities referred to in section 14 is determined according to the following formula :

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

In the formula provided in the first paragraph,

(1) the letter A represents the amount attributed to eligible municipalities under the second part;

(2) the letter B represents the population of the municipality;

(3) the letter C represents the multiplication factor for the municipality;

(4) the letter D represents the sum of the values obtained from multiplying the letters B and C for all municipalities referred to in this section.

The result of the calculation is rounded to the nearest whole number.

CHAPTER V TRANSITIONAL

16. For the purposes of sections 6 and 10, the amounts attributed under the first and second parts correspond,

(1) for the fiscal year 2025, respectively, to 97.5% and 2.5% of the amount established under the Act;

(2) for the fiscal year 2026, respectively, to 95.5% and 4.5% of the amount established under the Act;

(3) for the fiscal year 2027, respectively, to 93.5% and 6.5% of the amount established under the Act;

(4) for the fiscal year 2028, respectively, to 92% and 8% of the amount established under the Act;

(5) for the fiscal year 2029, respectively, to 91% and 9% of the amount established under the Act.

17. During the 2027 fiscal year, the Minister must assess the impact of the apportionment among municipalities of the amount representing the increase in a portion of the Québec sales tax, in particular with regard to tax fairness among municipalities and the level of services they provide, insofar as the Minister has access to the financial report of the municipalities for the preceding fiscal year and to the other documents or information required for that assessment.

CHAPTER VI FINAL

18. This Regulation comes into force on 1 January 2025.

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