

## Income Tax

**LAF. 96.1-1/R11**

**Advance Rulings**

**Date of publication:**

**December 20, 2023**

Reference(s):

*Tax Administration Act (CQLR, c. A-6.002), section 96.1*  
*Act respecting the Agence du revenu du Québec (CQLR, c. A-7.003), sections 1, 177 and 199.1*  
*Financial Administration Act (CQLR, c. A-6.001), sections 83.3 and 83.5*  
*Regulation respecting the fees for users of the advance rulings and written opinions service of the Direction générale de la législation of the Agence du revenu du Québec (CQLR, c. A-6.002, r. 4.1), section 2*  
*Regulation respecting the rounding off of adjusted fees (CQLR, c. A-6.001, r. 0.1), sections 1 and 2*

*This version of bulletin LAF. 96.1-1 replaces that of January 10, 2023. The bulletin has been updated to reflect the indexation of fees for an advance ruling.*

<p><b>Fees applicable from January 1, 2024*</b></p> <p><i>(see Tarifs exigibles par l'Agence du revenu du Québec — Avis d'indexation pour l'année 2024, (2023) 48 G.O.Q. I, 794)</i></p> <p>A history of tariffs is given in the Appendix.</p>	
Hourly tariff	\$153
Minimum tariff	\$365

\* GST and QST not included.

The Agence du revenu du Québec (hereinafter referred to as “Revenu Québec” or the “Agency”) offers taxpayers a service allowing them to obtain, against payment, advance rulings relating to technical aspects of various Québec fiscal laws. The purpose of this bulletin is to present this service and to define the framework in which it is offered.

The advance rulings service is a separate service from the interpretation and written opinions services offered by the Direction générale de la législation (see the current version of bulletin LAF. 96.1-2) and from the services offered by the Direction générale des entreprises and the Direction générale des particuliers.

## **Nature of advance rulings**

1. An advance ruling is a written statement issued by Revenu Québec to a person, informing that person in advance of the tax treatment that will be given to one or more specific transactions contemplated by a taxpayer.
2. An advance ruling is clearly identified as such by Revenu Québec. It is issued by the Direction générale de la législation and is binding on the Agency, subject to any limitations and reservations set out therein.
3. As a rule, advance rulings are made only for proposed transactions. However, in exceptional cases, such a ruling may be made for a transaction that has already been completed. A ruling may also be requested on a question of fact where it is possible to predetermine all the important facts and it can reasonably be foreseen that such facts will arise or that action will be taken to ensure that they do arise.
4. An advance ruling is only valid for the person who requested it and only with regard to the taxpayer concerned by the transaction and referred to in the application. Furthermore, the ruling applies only to the transactions described therein.
5. An advance ruling made by Revenu Québec includes a deadline for carrying out the proposed transactions. If, for any reason, the deadline cannot be met, the advance ruling will no longer be valid, unless the taxpayer obtains from the Agency an extension of the deadline for carrying out the transactions.
6. Where a taxpayer or the representative of a taxpayer makes an important omission or an erroneous or incomplete presentation of the facts or reasons, the Direction générale de la législation has the right to revoke the advance ruling, with retroactive effect. The ruling will then be deemed never to have been binding on the Agency.
7. Where an advance ruling is based on a legislative or regulatory provision that is subsequently amended, the ruling becomes invalid on the effective date of the amendment, without Revenu Québec having to inform the taxpayer.
8. Revenu Québec reserves the right to refuse to reply to an application for an advance ruling.

## **Applications for an advance ruling**

9. From the information contained in an application for an advance ruling, Revenu Québec must be able to clearly identify the taxpayer concerned by the application. Where the representative of a taxpayer makes the application, a power of attorney authorizing the representative to act on the taxpayer's behalf must be provided.
10. An application for an advance ruling must include a complete and detailed description of the facts, disclosure of the purpose of the proposed transactions, a precise statement of the issues to be ruled on, reference to the legislative and regulatory provisions with regard to which the ruling is requested and the taxpayer's interpretation of those provisions. All relevant documents must be enclosed with the application. Furthermore, any application for an advance ruling that concerns section 1079.10 of the *Taxation Act* (CQLR, chapter I-3) or section 479 of the *Act respecting the*

*Québec sales tax* (CQLR, chapter T-0.1) must also indicate why the transaction will not give rise to a tax benefit that would result, directly or indirectly, in the misuse of the provisions of the Act or an abuse having regard to the provisions of the Act read as a whole. Finally, the taxpayer or the taxpayer's representative must provide a statement that there is no objection, appeal before the courts or audit by the Agency dealing with the same subject as the application.

11. In the course of any subsequent audit, Revenu Québec may review the transactions related to an application for an advance ruling to determine the accuracy of the relevant facts presented in the application and whether the transactions were carried out in the manner described in the application.

### **Fees**

12. Revenu Québec charges a fee for every hour or part of an hour spent reviewing an application for an advance ruling or preparing the ruling. The rate varies according to the period during which the work is carried out. (See the table on page 1 and the Appendix.)

13. The fee for an advance ruling cannot be less than the prescribed minimum applicable on the date the application is received. (See the table on page 1 and the Appendix.)

14. Payment of the minimum required fee must be included with every application. Fees must be paid by cheque, made payable to Revenu Québec.

15. Where an application for an advance ruling is made by the representative of a taxpayer, an undertaking by the representative to pay any additional fees for the application must be included.

16. Where an application for an advance ruling is submitted without payment of the minimum required fee, the Agency will notify the person who made the application of the omission and no further action will be taken with respect to the application until the minimum fee is paid.

17. An application may be withdrawn. If an application is withdrawn before the review process begins, no fee will be charged. Otherwise, Revenu Québec will charge a fee based on the hour(s) and any part of an hour spent reviewing the application.

### **Applications submitted on removable media**

18. An application for an advance ruling must be submitted to the Agency in printed form. However, to reduce transcription time, the taxpayer or the taxpayer's representative may also save the application on a CD-ROM or a USB key in a Windows compatible Word format and enclose the CD-ROM or USB key with the printout.

## **Mailing**

**19.** An application for an advance ruling must be mailed, along with all relevant documents and payment of the minimum required fee, to the following address:

Direction générale de la législation — Décisions anticipées  
Revenu Québec  
3800, rue de Marly, secteur 4-4-1  
Québec (Québec) G1X 4A5

## APPENDIX

### HISTORY OF THE TARIFFS OF FEES PAYABLE BY USERS OF THE ADVANCE RULINGS SERVICE

The table below gives the tariffs applied for an advance ruling service since January 1, 2011 (in reverse chronological order).

Period	Hourly tariff	Minimum tariff	Citation
January 1 – December 31, 2023	\$146	\$347	Avis, (2022) 53 G.O.Q. I, 728
January 1 – December 31, 2022	\$137	\$326	Avis, (2022) 1 G.O.Q. I, 20
January 1 – December 31, 2021	\$133	\$318	Avis, (2021) 49 G.O.Q. I, 872
January 1 – December 31, 2020	\$131	\$314	Avis, (2019) 50 G.O.Q. I, 803
January 1 – December 31, 2019	\$129	\$309	Avis, (2019) 1 G.O.Q. I, 17
January 1 – December 31, 2018	\$127	\$304	Avis, (2017) 52 G.O.Q. I, 1351
January 1 – December 31, 2017	\$126	\$302	Avis, (2016) 51 G.O.Q. I, 1295
January 1, 2015 – December 31, 2016	\$125	\$300	O.C. 1105-2014, 52 G.O.Q. II, 2812
January 1 – December 31, 2014	\$108	\$269	Avis, (2013) 51 G.O.Q. I, 1359
January 1 – December 31, 2013	\$107	\$266	Avis, (2013) 3 G.O.Q. I, 79
January 1 – December 31, 2012	\$104	\$260	Avis, (2012) 6 G.O.Q. I, 239
January 1 – December 31, 2011	\$101	\$253	Avis, (2011) 7 G.O.Q. I, 219

Abbreviation: G.O.Q.: *Gazette officielle du Québec*.