

Income Tax

IMP. 1015-4/R1 Deduction at Source in Respect of Remuneration Other Than Salary,
Wages or Commissions

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Reference(s): *Taxation Act* (CQLR, c. I-3), section 1015
Regulation respecting the Taxation Act (CQLR, c. I-3, r. 1), sections 1015R1
and following

This version of interpretation bulletin IMP. 1015-4 replaces that of July 31, 1990. It was updated to include legislative amendments since that date. Stylistic changes and changes to ensure consistency were also made.

This bulletin gives Revenu Québec's position on an employer's obligation to withhold income tax from the remuneration paid to an employee where that remuneration does not constitute salary, wages or commissions.

APPLICATION OF THE ACT

1. For the purposes of this bulletin "remuneration" means an amount covered by the definition of this expression in paragraphs (c) to (v) of section 1015R1 of the *Regulation respecting the Taxation Act*.
2. Under section 1015 of the *Taxation Act*, every person paying remuneration (the "employer") shall deduct or withhold the prescribed amount of tax and pay to the Minister of Revenue an amount equal to the deducted or withheld amount, on the dates, for the periods and according to the terms and conditions prescribed.
3. However, Revenu Québec considers that an employer is not obliged to withhold Québec income tax at source if the employee reports for work at an establishment of his employer located outside Québec.

Furthermore, if the employee is not required to report for work at any establishment of the employer, Revenu Québec considers that the employer is not obliged to withhold Québec income tax at source, if the employee does not reside in Québec at the time the remuneration is paid.

4. Despite paragraph 3 above, income tax must be withheld at source as if the employee had reported for work at an establishment of their employer located in Québec in the case of an

individual referred to in paragraph (b), (c), (d) or (e) of subsection (2) of section 5 of the *Income Earned in Québec Income Tax Remission Order, 1988 (SI/89-157)* (the “Order”), with respect to remuneration received from the Government of Québec or any corporation, commission, association, institution or establishment referred to in paragraph (c) of subsection (2) of section 5 of the Order, except an institution of the Government of Canada or a wholly owned corporation subsidiary to such a corporation, commission or association.