

Income Tax

IMP. 752.12-1/R1 Alternative Minimum Tax Carry-over: Minimum Tax Paid to the
Government of a Province or Territory in Canada Other Than Québec
Date of publication: March 31, 2016

Reference(s): *Taxation Act* (CQLR, c. I-3), sections 752.12 and 752.14

This version of bulletin IMP. 752.12-1 supersedes the version of December 29, 1993. The bulletin was revised to ensure that it is relevant and up to date. The interpretation remains the same. Only some style changes were made.

The purpose of this bulletin is to set out the conditions under which an individual who paid alternative minimum tax to the government of a province or territory in Canada other than Québec may carry over the amount so paid in order to reduce his or her income tax otherwise payable to Québec.

APPLICATION OF THE ACT

1. Where an individual paid alternative minimum tax to a province or territory in Canada other than Québec for a particular taxation year and is liable for Québec income tax for a subsequent taxation year, the *Taxation Act* (TA) provides no mechanism allowing the individual to claim, in computing his or her income tax payable to Québec for the subsequent taxation year, a deduction in respect of the additional tax computed with regard to the particular taxation year.
2. However, Revenu Québec is prepared to allow the individual to deduct from the amount that, but for sections 752.12, 752.14 and 766.3.4 of the TA, would be his or her tax otherwise payable under Part I of the TA for the subsequent taxation year, such amount as the individual may claim not exceeding, in particular, with respect to his or her additional taxes that would have been determined under section 752.14 of the TA for the seven taxation years immediately preceding the subsequent taxation year if he or she had been subject to Québec income tax for those taxation years, the portion of the aggregate thereof that the individual, had he or she been subject to Québec income tax for such years, would not have deducted in computing his or her tax otherwise payable under Part I of the TA for any taxation year preceding the subsequent taxation year.
3. Thus, an individual, in computing his or her Québec income tax for the subsequent taxation year, may deduct an amount not greater than, in particular, the amount of his or her additional taxes as would have been determined under section 752.14 of the TA for the particular taxation

year had the individual been subject to Québec income tax for that particular taxation year. However, it is possible that the result of those computations will be nil and that no amount will be allowed as a deduction in computing the individual's Québec income tax for the subsequent taxation year.

4. In addition, the amount of the deduction must not be greater than the amount of the additional tax paid to the province or territory in Canada other than Québec that was computed with regard to the particular taxation year.