

Bill 117

**Act giving effect to the Budget Speech delivered on  
30 March 2010 and to certain other budget statements**

Section 9.1

**AMENDMENT:**

Insert the following after section 9:

**PUBLIC CURATOR ACT**

**9.1.** (1) Section 76.1 of the Public Curator Act (R.S.Q., chapter C-81) is amended by striking out “, 58”.

(2) Subsection 1 applies from 1 April 2011.

Adopté

Bill 117

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Section 53

**AMENDMENT:**

(1) Replace subparagraph *h.2* of the fourth paragraph of section 1029.6.0.6 of the Taxation Act, proposed by paragraph 2 of subsection 1, by the following subparagraph:

“(h.2) the amount of \$30,875 mentioned in section 1029.8.116.16;”.

(2) Strike out paragraph 3 of subsection 1.

(3) Replace “2011” in subsection 2 by “2012”.

*Adopté*

Bill 117

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Section 55

**AMENDMENT:**

(1) Replace the portion of subparagraph *c* of the first paragraph of section 1029.7 of the Taxation Act before subparagraph *i*, proposed by paragraph 2 of subsection 1, by the following:

“(c) one-half of that portion of the consideration paid under the contract by the taxpayer to a person or partnership who has an establishment situated in Québec and with whom the taxpayer was dealing at arm’s length at the time the contract was entered into,

(2) Replace the portion of subparagraph *e* of the first paragraph of section 1029.7 of the Taxation Act before subparagraph *i*, proposed by paragraph 3 of subsection 1, by the following:

“(e) one-half of that portion of the consideration paid by the taxpayer under a particular contract, other than a contract by which the taxpayer causes scientific research and experimental development to be undertaken on the taxpayer’s behalf, for work relating to such research and development undertaken in any taxation year, to a person or partnership who has an establishment situated in Québec and with whom the taxpayer was dealing at arm’s length at the time the particular contract was entered into,

(3) Replace the portion of subparagraph *g* of the first paragraph of section 1029.7 of the Taxation Act before subparagraph *i*, proposed by paragraph 4 of subsection 1, by the following:

“(g) one-half of that portion of the consideration paid under the contract by the taxpayer to a person or partnership with whom the taxpayer was not dealing at arm’s length at the time the contract was entered into, and paid again by that person or partnership, under a particular contract, to another person or partnership who has an establishment situated in Québec and with whom the taxpayer was dealing at arm’s length at the time the particular contract was entered into,

(4) Replace the portion of subparagraph *i* of the first paragraph of section 1029.7 of the Taxation Act before subparagraph *i*, proposed by paragraph 5 of subsection 1, by the following:

“(i) one-half of that portion of the consideration paid by the taxpayer under a particular contract, other than a contract by which the taxpayer causes scientific research and experimental development to be undertaken on the taxpayer’s behalf, for work relating to such research and development undertaken in any taxation year, to a person or partnership with whom the taxpayer was not dealing at arm’s length at the time the particular contract was entered into, and paid again by that person or partnership, under another particular contract, to another person or partnership who has an establishment situated in Québec and with whom the taxpayer was dealing at arm’s length at the time the other particular contract was entered into,

Adopte

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Section 56

**AMENDMENT:**

(1) Replace the portion of subparagraph *c* of the first paragraph of section 1029.8 of the Taxation Act before subparagraph *i*, proposed by paragraph 2 of subsection 1, by the following:

“(c) one-half of that portion of the consideration paid under the contract by the partnership to a person or another partnership who has an establishment situated in Québec and with whom all the members of the partnership were dealing at arm’s length at the time the contract was entered into,

(2) Replace the portion of subparagraph *e* of the first paragraph of section 1029.8 of the Taxation Act before subparagraph *i*, proposed by paragraph 3 of subsection 1, by the following:

“(e) one-half of that portion of the consideration paid by the partnership under a particular contract, other than a contract by which the partnership causes scientific research and experimental development to be undertaken on its behalf, for work relating to such research and development undertaken in any fiscal period, to a person or another partnership who has an establishment situated in Québec and with whom all the members of the partnership were dealing at arm’s length at the time the particular contract was entered into,

(3) Replace the portion of subparagraph *g* of the first paragraph of section 1029.8 of the Taxation Act before subparagraph *i*, proposed by paragraph 4 of subsection 1, by the following:

“(g) one-half of that portion of the consideration paid under the contract by the partnership to a person or another partnership with whom a member of the partnership was not dealing at arm’s length at the time the contract was entered into, and paid again by that person or that other partnership, under a particular contract, to another person or partnership who has an establishment situated in Québec and with whom all the members of the partnership were dealing at arm’s length at the time the particular contract was entered into,

(4) Replace the portion of subparagraph *i* of the first paragraph of section 1029.8 of the Taxation Act before subparagraph *i*, proposed by paragraph 5 of subsection 1, by the following:

“(i) one-half of that portion of the consideration paid by the partnership under a particular contract, other than a contract by which the partnership causes scientific research and experimental development to be undertaken on its behalf, for work relating to such research and development undertaken in any fiscal period, to a person or another partnership with whom a member of the partnership was not dealing at arm’s length at the time the particular contract was entered into, and paid again by that person or that other partnership, under another particular contract, to another person or partnership who has an establishment situated in Québec and with whom all the members of the partnership were dealing at arm’s length at the time the other particular contract was entered into,

Adopté  


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Section 85

**AMENDMENT:**

(1) Replace the definition of “excluded adult” in the first paragraph of section 1029.8.109.2 of the Taxation Act, proposed by subsection 1, by the following definition:

“excluded adult” means an adult referred to in section 67 of the Individual and Family Assistance Regulation, as it read before being repealed;

(2) Replace “for a particular month included in the period provided for in the first paragraph of section 1029.8.109.3” in the third paragraph of section 1029.8.109.4 of the Taxation Act, proposed by subsection 1, by “for any of the months of January, February and March 2010”.

(3) Add the following paragraphs after the third paragraph of section 1029.8.109.4 of the Taxation Act, proposed by subsection 1:

If the second paragraph applies to any of the first six months of the taxation year 2011, the amount that, in accordance with that paragraph, is included in the computation of the social assistance benefit or social solidarity allowance paid by the Minister of Employment and Social Solidarity to an adult for that month accounts for an advance payment of an amount deemed under section 1029.8.116.16 to be an overpayment of the adult’s tax payable for the year.

However, the following presumptions must be taken into consideration for the purposes of the fourth paragraph if the social assistance benefit or social solidarity allowance is paid for a family composed of two adults:

(a) the Minister of Employment and Social Solidarity is deemed to pay an amount equal to 50% of the benefit or allowance to each of those adults for the particular month; and

(b) the amount that, in accordance with the second paragraph, is included in the computation of the benefit or allowance paid to each of those

adults is deemed to be equal to 50% of the amount that, for the particular month, is deemed, under section 1029.8.109.3, to be an overpayment of the tax payable by either of those adults for the taxation year 2011.

(4) Replace subsection 2 by the following subsection:

(2) Subsection 1 has effect from 1 January 2010. However, when the definition of "excluded adult" in the first paragraph of section 1029.8.109.2 of the Act applies in respect of a month before 1 April 2010, it is to be read without reference to "as it read before being repealed".

Adopte



s. 88 (1029.8.116.16, 1029.8.116.26, 1029.8.116.29 and 1029.8.116.34)

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Section 88

**AMENDMENT:**

(1) Replace “if the individual has agreed” in the portion of the first paragraph of section 1029.8.116.16 of the Taxation Act before the formula, proposed by subsection 1, by “if the individual has filed a document in which the individual agrees”.

(2) Replace the portion of subparagraph *c* of the second paragraph of section 1029.8.116.16 of the Taxation Act before subparagraph iii, proposed by subsection 1, by the following:

(*c*) C is an amount equal to zero, unless, at the beginning of the particular month, the eligible individual ordinarily lives in the territory of a northern village in which the individual’s principal place of residence is situated, in which case C is the aggregate of

i. \$790,

ii. \$790 if, at the beginning of the particular month, the eligible individual has a cohabiting spouse

(1) who ordinarily lives in that territory with the eligible individual,

(2) whose principal place of residence is situated in that territory, and

(3) who is not confined to a prison or a similar institution,

(3) Replace “\$30,490” in subparagraph *c* of the third paragraph of section 1029.8.116.16 of the Taxation Act, proposed by subsection 1, by “\$30,875”.

(4) Add the following paragraphs at the end of section 1029.8.116.26 of the Taxation Act, proposed by subsection 1:

However, for a particular month of the year 2011, the amount paid by the Minister to an eligible individual may not exceed the amount by which the

amount, to which the first paragraph refers, that is determined in respect of the eligible individual for the particular month exceeds the amount determined, subject to the fourth paragraph, by the formula

A – B.

In the formula in the second paragraph,

(a) A is the aggregate of all amounts each of which is the portion of a social assistance benefit or of a social solidarity allowance that is received for any of the months of January through June 2011 by the eligible individual or the person who, at the beginning of the particular month, is the cohabiting spouse of the individual and ordinarily lives with that individual, under the Individual and Family Assistance Act (chapter A-13.1.1), and that is attributable to the amount referred to in the fourth paragraph of section 1029.8.109.4; and

(b) B is

- i. if the particular month is July 2011, an amount equal to zero, or
- ii. in any other case, the aggregate of all amounts each of which is the amount by which the amount, to which the first paragraph refers, that is determined in respect of the eligible individual for a month preceding the particular month exceeds the excess amount determined in respect of the individual for the preceding month in accordance with the second paragraph.

The amount determined by the formula in the second paragraph may not exceed 50% of the amount, to which the first paragraph refers, that is determined in respect of the eligible individual for the particular month if

(a) the eligible individual is, for the particular month, a recipient under a financial assistance program provided for in Chapter I or II of Title II of the Individual and Family Assistance Act; and

(b) the eligible individual's status as a recipient under such a program has been brought to the attention of the Minister at least 21 days before the date provided for the payment of the amount, to which the first paragraph refers, that is determined in respect of the individual for the particular month.

For the purposes of subparagraph *a* of the third paragraph, the social assistance benefit or social solidarity allowance that the Minister of Employment and Social Solidarity is deemed to pay to the individual because of the application of subparagraph *a* of the fifth paragraph of section 1029.8.109.4 is deemed to be received by the individual or the person under the Individual and Family Assistance Act.

(5) Replace “\$2” in the first paragraph of section 1029.8.116.29 of the Taxation Act, proposed by subsection 1, by “\$20”.

(6) Replace the second paragraph of section 1029.8.116.29 of the Taxation Act, proposed by subsection 1, by the following paragraph:

However, the aggregate of all amounts each of which is the amount referred to in the first paragraph or an amount determined in respect of the eligible individual in respect of such a deemed amount for a subsequent month that is included in the 12-month period (in this section referred to as the “payment period”) that begins on 1 July of a calendar year and includes the particular month, must be paid to the individual in the first subsequent month included in the payment period for which the aggregate reaches or exceeds \$20.

(7) Add the following paragraph after the second paragraph of section 1029.8.116.29 of the Taxation Act, proposed by subsection 1:

In addition, an aggregate of amounts, determined in accordance with the second paragraph, that is less than \$20 must be paid to the eligible individual in the last month of the payment period if it reaches or exceeds \$2.

(8) In the French text, replace “son état de prestataire” in section 1029.8.116.34 of the Taxation Act, proposed by subsection 1, by “son statut de prestataire”.

(9) Replace “2010” in subsection 2 by “2011”.

Adopté

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Bill 117

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Section 117.1

**AMENDMENT:**

Insert the following after section 117:

**ACT RESPECTING THE RÉGIE DE L'ASSURANCE MALADIE DU  
QUÉBEC**

**117.1.** (1) Section 37.4 of the Act respecting the Régie de l'assurance maladie du Québec (R.S.Q., chapter R-5) is amended, in subparagraph *a* of the first paragraph,

(1) by replacing subparagraphs i to iv by the following subparagraphs:

“i. \$14,080 where, for the year, the individual has no eligible spouse and no dependent child,

“ii. \$22,820 where, for the year, the individual has no eligible spouse but has one dependent child,

“iii. \$25,875 where, for the year, the individual has no eligible spouse but has more than one dependent child,

“iv. \$22,820 where, for the year, the individual has an eligible spouse but has no dependent child, and”;

(2) by replacing subparagraphs 1 and 2 of subparagraph v by the following subparagraphs:

“(1) \$25,875 where the individual has one dependent child for the year,  
or

“(2) \$28,695 where the individual has more than one dependent child for the year; and”.

(2) Subsection 1 applies from the year 2010.

*Adopté*

Bill 117

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Section 129

**AMENDMENT:**

Replace sections 22.15.0.1 and 22.15.0.2 of the Act respecting the Québec sales tax, proposed by subsection 1, by the following sections:

**“22.15.0.1.** A supply of a service is deemed to be made in Québec if, in the ordinary course of the supplier’s business, the supplier obtains an address in Québec that is

(1) if the supplier obtains only one address that is a home or a business address in Canada of the recipient, the home or business address obtained by the supplier;

(2) if the supplier obtains more than one address described in subparagraph 1, the address described in that subparagraph that is most closely connected with the supply; or

(3) in any other case, the address in Canada of the recipient that is most closely connected with the supply.

The first paragraph does not apply in the case of a supply of

(1) a service in relation to an immovable;

(2) a service in relation to a corporeal movable property;

(3) a service (other than an advisory, consulting or professional service) all or substantially all of which is performed in the presence of the individual to whom it is rendered; or

(4) a service performed wholly outside Canada.

**“22.15.0.2.** A supply of a service is deemed to be made in Québec if the Canadian element of the service is performed primarily in Québec.

The first paragraph does not apply

(1) in the ordinary course of the supplier's business, if the supplier obtains an address in Canada; or

(2) in the case of a supply of

(a) a service in relation to an immovable;

(b) a service in relation to a corporeal movable property; or

(c) a service (other than an advisory, consulting or professional service) all or substantially all of which is performed in the presence of the individual to whom it is rendered.

Adopte  
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Bill 117

**Act giving effect to the Budget Speech delivered on  
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Section 154.1

**AMENDMENT:**

Insert the following after section 154:

**154.1.** (1) The Act is amended by inserting the following sections after section 635.9:

**“635.10.** Where a person received before 1 January 2011 a taxable supply of movable property in respect of which the person paid tax under section 16 at the rate of 7.5%, the person returns the property to the supplier after 31 December 2010 to exchange it for other movable property and the consideration for the supply of the other property is equal to the consideration for the supply of the returned property, the following rules apply:

(1) the person is not entitled to a refund of the tax paid in respect of the supply of the returned property; and

(2) tax under section 16 does not apply in respect of the supply of the other property.

**“635.11.** Where a person received before 1 January 2011 a taxable supply of movable property in respect of which the person paid tax under section 16 at the rate of 7.5%, the person returns the property to the supplier after 31 December 2010 to exchange it for other movable property and the consideration for the supply of the other property exceeds the consideration for the supply of the returned property, the following rules apply:

(1) the person is not entitled to a refund of the tax paid in respect of the supply of the returned property; and

(2) the person shall pay tax under section 16 but only on that part of the consideration for the supply of the other property which exceeds the consideration for the supply of the returned property.”

(2) Subsection 1 has effect from 1 January 2011.

*Adopte*

Bill 117

**Act giving effect to the Budget Speech delivered on  
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Section 159.1

**AMENDMENT:**

Insert the following after section 159:

**INDIVIDUAL AND FAMILY ASSISTANCE REGULATION**

**159.1.** (1) Subdivision 2 of Division II of Chapter III of Title IV of the Individual and Family Assistance Regulation (R.R.Q., chapter A-13.1.1, r. 1), including its heading and sections 66 and 67, is repealed.

(2) Subsection 1 has effect from 1 April 2010.

*Adopte*



Bill 117

**Act giving effect to the Budget Speech delivered on  
30 March 2010 and to certain other budget statements**

Section 159.2

**AMENDMENT:**

**159.2. (1)** Section 179 of the Regulation is amended by adding the following paragraph:

“Similarly, a person is not required to repay the amount that, in accordance with the fourth paragraph of section 1029.8.109.4 of the Taxation Act, has been granted to account for the advance tax credit provided for in section 1029.8.116.16 of that Act if the claim covers a period for which the Minister has informed the Minister of Revenue of the amount granted to the person as such.”

(2) Subsection 1 has effect from 1 January 2011.

*Adopte*