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# NATIONAL ASSEMBLY

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FIRST SESSION

THIRTY-EIGHTH LEGISLATURE

Bill 398

**An Act to amend the Municipal Powers  
Act in order to allow the deferral of  
property tax increases caused by unequal  
variations in property values**

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**Introduction**

**Introduced by  
Mr. François Gendron  
Member for Abitibi-Ouest**

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## **EXPLANATORY NOTES**

*This bill amends the Municipal Powers Act so that local municipalities may establish a program allowing taxpayers whose property taxes have increased because of unequal variations in property values to defer the increase to the time the property is sold.*

*Under the bill, the local municipality sets out the details of the program by by-law and may enter into an agreement to have the program administered by a body recognized for that purpose by the Minister of Municipal Affairs and Regions.*

## **LEGISLATION AMENDED BY THIS BILL:**

- Municipal Powers Act (R.S.Q., chapter C-47.1).

## Bill 398

### AN ACT TO AMEND THE MUNICIPAL POWERS ACT IN ORDER TO ALLOW THE DEFERRAL OF PROPERTY TAX INCREASES CAUSED BY UNEQUAL VARIATIONS IN PROPERTY VALUES

AS the unequal progression of property values in a number of Québec municipalities is causing property tax increases for many Québec taxpayers;

AS the problem affects taxpayers in all regions of Québec, including the elderly, people with low incomes and permanent residents of resort municipalities;

AS it is the responsibility of the Gouvernement du Québec to implement measures that will allow those affected by the problem to remain in their residences;

AS any measure to be implemented must respect the principle of taxpayer fairness and maintain the integrity of the municipal tax system;

THE PARLIAMENT OF QUÉBEC ENACTS AS FOLLOWS:

**1.** The Municipal Powers Act (R.S.Q., chapter C-47.1) is amended by inserting the following section after section 89:

**“89.1.** A local municipality may, by by-law, establish a property tax deferral program.

The purpose of such a program is to allow taxpayers whose property taxes have increased because of unequal variations in property values to defer the increase to the time the property is sold.

The by-law sets out the details of the program.

For municipalities that so request, the Minister designates one or more bodies to administer the property tax deferral program.

Such a body must

(1) be a non-profit body constituted under Part III of the Companies Act (chapter C-38); and

(2) be directed by a board of directors, composed of municipal representatives, which decides on how the program is to be administered.

In addition, the body must allow a representative designated by the Minister to attend board meetings, at any time, as an observer.

Within three months after the end of each fiscal year, the body must file with the Minister, in the manner the Minister determines, an activity report explaining the details of the program and containing any other information required by the Minister.

A local municipality may, by resolution, enter into an agreement with a body recognized by the Minister in order to have the body administer the property tax deferral program on its behalf.”

**2.** Section 90 of the Act is amended by replacing “89” in the first paragraph by “89.1”.

**3.** This Act comes into force on (*insert the date of assent to this Act*).