



NATIONAL ASSEMBLY OF QUÉBEC

FIRST SESSION

FORTY-THIRD LEGISLATURE

Bill 75

**An Act to give effect to fiscal
measures announced in the Budget
Speech delivered on 12 March 2024
and to certain other measures**

Introduction

**Introduced by
Mr. Eric Girard
Minister of Finance**

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EXPLANATORY NOTES

This bill amends various Acts mainly to give effect to measures announced in the Update on Québec's Economic and Financial Situation presented on 7 November 2023 and in the Budget Speech delivered on 12 March 2024. It also gives effect to measures announced in various Information Bulletins published by the Ministère des Finances in 2022, 2023 and 2024.

The bill amends the Taxation Act, the Act respecting the sectoral parameters of certain fiscal measures and the Regulation respecting the Taxation Act to, in particular,

(1) extend the tax credit relating to investment and innovation, enhance its rates and make it fully refundable;

(2) abolish the additional 30% depreciation deduction in respect of certain investments;

(3) enhance the refundable tax credit for Québec film productions;

(4) enhance and refocus the refundable film production services tax credit;

(5) abolish the refundable tax credit to foster the retention of experienced workers;

(6) adjust the parameters for computing the incentive deduction for the commercialization of innovations in Québec; and

(7) restructure tax assistance for the production of multimedia titles and the development of e-business.

The Act constituting Capital régional et coopératif Desjardins, the Act to establish Fondation, le Fonds de développement de la Confédération des syndicats nationaux pour la coopération et l'emploi and the Act to establish the Fonds de solidarité des travailleurs et des travailleuses du Québec (FTQ) are amended to, among other things, increase the issuance ceiling of Capital régional et coopératif Desjardins for the period ending on 28 February 2025, relax the rule providing for a 10% ceiling applicable to certain investments made in the real estate sector and modernize the

administrative and operational frameworks of labour-sponsored funds.

The Tobacco Tax Act is amended to increase the specific tax rates on tobacco products.

The Act respecting the Québec sales tax is amended so that, in particular, the estimated value rule does not apply when a used road vehicle is brought into Québec as a result of a transfer between related individuals.

In addition, the Tax Administration Act, the Taxation Act and the Act respecting the Québec sales tax, among others, are amended to make amendments similar to those made to the Income Tax Act and the Excise Tax Act by federal bills assented to in 2022 and 2023. More specifically, the amendments deal with

- (1) the obligation for certain trusts to file a fiscal return;*
- (2) the avoidance of tax liabilities;*
- (3) the payment and transmission of documents by way of a technological means; and*
- (4) the application of the Québec sales tax in respect of cryptoasset mining activities.*

Lastly, the bill makes various technical amendments as well as consequential and terminology-related amendments.

LEGISLATION AMENDED BY THIS BILL:

- Tax Administration Act (chapter A-6.002);
- Act constituting Capital régional et coopératif Desjardins (chapter C-6.1);
- Act to establish Fondation, le Fonds de développement de la Confédération des syndicats nationaux pour la coopération et l’emploi (chapter F-3.1.2);
- Act to establish the Fonds de solidarité des travailleurs et des travailleuses du Québec (FTQ) (chapter F-3.2.1);
- Tobacco Tax Act (chapter I-2);

- Taxation Act (chapter I-3);
- Act respecting the application of the Taxation Act (chapter I-4);
- Act respecting the sectoral parameters of certain fiscal measures (chapter P-5.1);
- Act respecting the Régie de l'assurance maladie du Québec (chapter R-5);
- Act respecting the Québec sales tax (chapter T-0.1).

REGULATION AMENDED BY THIS BILL:

- Regulation respecting the Taxation Act (chapter I-3, r. 1).

Bill 75

AN ACT TO GIVE EFFECT TO FISCAL MEASURES ANNOUNCED IN THE BUDGET SPEECH DELIVERED ON 12 MARCH 2024 AND TO CERTAIN OTHER MEASURES

THE PARLIAMENT OF QUÉBEC ENACTS AS FOLLOWS:

TAX ADMINISTRATION ACT

1. Section 14.5 of the Tax Administration Act (chapter A-6.002) is amended

(1) by replacing the first paragraph by the following paragraph:

“The Minister may, within four years after the day on which the Minister becomes aware of the transfer of property, make an assessment or a reassessment in respect of a transferee in relation to an amount payable under section 14.4 or in respect of a person referred to in the first paragraph of section 59.5.15 in relation to a penalty the person is required to pay under that paragraph.”;

(2) by inserting “or the person, as the case may be,” after “transferee” in subparagraphs *a* and *b* of the second paragraph.

2. (1) The Act is amended by inserting the following section after section 14.7:

“14.7.1. For the purposes of sections 14.4 to 14.7, where a person transfers property, directly or indirectly, by means of a trust or by any other means whatever to another person as part of a transaction or a series of transactions, the following rules apply:

(*a*) the transferor is deemed to not be dealing at arm’s length, within the meaning of the Taxation Act (chapter I-3), with the transferee at the time the property is transferred if

i. at any time during the period beginning immediately prior to the beginning of the transaction or series of transactions and ending immediately after the end of the transaction or series of transactions, the transferor and the transferee do not deal at arm’s length, and

ii. it is reasonable to conclude that one of the purposes of undertaking or arranging the transaction or series of transactions is to avoid solidary liability of the transferee and the transferor under section 14.4 for an amount payable or remittable under any fiscal law;

(b) an amount that the transferor is liable to pay under any fiscal law, including an amount that the transferor is liable to pay under section 14.4, whether or not an assessment has been made under section 14.5 in respect of that amount, is deemed to be, if it is reasonable to conclude that one of the purposes for the transfer of property is to avoid the payment of a future amount by the transferor or the transferee under any fiscal law, an amount that the transferor is liable to pay during the taxation year, within the meaning of Part I of the Taxation Act, in which the property is transferred; and

(c) the excess amount determined under subparagraph *a* of the first paragraph of section 14.4, in respect of the property, is deemed to be equal to the greater of

- i. that excess amount determined without reference to this subparagraph *c*, and
- ii. the amount determined by the formula

$A - B$.

In the formula in subparagraph ii of subparagraph *c* of the first paragraph,

(a) *A* is an amount equal to the fair market value of the transferred property at the time of the transfer; and

(b) *B* is

i. the lowest fair market value of the consideration, held by the transferor, that is determined in respect of the property at any time in the period beginning immediately prior to the beginning of the transaction or series of transactions and ending immediately after the end of the transaction or series of transactions, or

ii. where the consideration is in a form that is cancelled or extinguished during the period referred to in subparagraph i,

(1) the lesser of the amount determined in subparagraph i and the fair market value, during that period, of any property, other than property that is cancelled or extinguished during that period, that is substituted for the consideration referred to in subparagraph i, or

(2) if no property is substituted for the consideration referred to in subparagraph i, other than property cancelled or extinguished during that period, zero.

For the purposes of this section,

(a) “property” includes money; and

(b) “transaction” includes an arrangement or event.”

(2) Subsection 1 has effect from 19 April 2021.

3. (1) The Act is amended by inserting the following sections after section 27.2:

“27.2.1. Every person who is required to pay or remit an amount to the Minister under a provision listed in the second paragraph shall, if the amount exceeds \$10,000, make the payment or remittance by way of electronic payment, unless the person cannot reasonably pay or remit the amount in that manner.

The provisions to which the first paragraph refers are the following:

(a) the provisions of Chapter IV of the Act respecting parental insurance (chapter A-29.011);

(b) the provisions of Division II of Chapter II of the Act to promote workforce skills development and recognition (chapter D-8.3);

(c) the provisions of the Taxation Act (chapter I-3);

(d) the provisions of Chapter III.1 of the Act respecting labour standards (chapter N-1.1);

(e) the provisions of Divisions I to I.2 of Chapter IV of the Act respecting the Régie de l'assurance maladie du Québec (chapter R-5); and

(f) the provisions of Title III of the Act respecting the Québec Pension Plan (chapter R-9).

“27.2.2. For the purposes of section 27.2.1, “electronic payment” means any payment or remittance to the Minister that is made through an electronic service offered by a financial institution or by way of any other technological means specified by the Minister.”

(2) Subsection 1 applies in respect of an amount paid or remitted after 31 December 2023.

4. (1) Section 37.1.1 of the Act is replaced by the following section:

“37.1.1. Every person who, for a calendar year, is required under a fiscal law or a regulation made under a fiscal law to file a number of information returns of a prescribed type that exceeds the prescribed threshold determined in their respect shall file the returns with the Minister by way of a technological means, according to the terms and conditions specified by the Minister.”

(2) Subsection 1 applies in respect of an information return filed after 31 December 2023.

5. (1) Section 37.1.4 of the Act is amended

(1) by replacing the first paragraph by the following paragraph:

“A tax preparer shall send to the Minister by way of a technological means, according to the terms and conditions specified by the Minister, the fiscal returns prepared by the tax preparer, for consideration, for one or more persons in accordance with section 1000 of the Taxation Act (chapter I-3), except that five of the returns filed by the tax preparer for one or more corporations and five of the returns filed by the tax preparer for one or more natural persons may be sent otherwise than by way of a technological means.”;

(2) by replacing subparagraph *a* of the second paragraph by the following subparagraph:

“(a) of a type for which the tax preparer has applied for authorization to file by way of a technological means for the year and for which that authorization has not been granted because the tax preparer did not meet the criteria referred to in section 37.1;”;

(3) by replacing subparagraph *c* of the second paragraph by the following subparagraph:

“(c) of a type in respect of which the Minister does not accept transmission by way of a technological means.”;

(4) by replacing the third paragraph by the following paragraph:

“For the purposes of this section and section 59.0.0.2, “tax preparer”, for a calendar year, means a person who, in the year and in accordance with section 1000 of the Taxation Act, prepares, for consideration, more than five fiscal returns for one or more corporations or more than five fiscal returns for one or more natural persons, but does not include an employee who prepares fiscal returns in the course of performing the duties of an employment.”

(2) Subsection 1 has effect from 1 January 2024.

6. (1) Section 59.0.0.2 of the Act is amended by replacing “of an individual” in paragraph *a* by “of a natural person”.

(2) Subsection 1 has effect from 1 January 2024.

7. (1) Section 59.0.0.3 of the Act is amended

(1) by replacing paragraphs *a* to *d* by the following paragraphs:

“(a) \$125, where the number of information returns of the same type is greater than 5 but less than 51, unless the type of information return to be filed with the Minister is referred to in paragraph *q* of section 37.1.1R1 of the Regulation respecting fiscal administration (chapter A-6.002, r. 1);

“(b) \$250, where the number of information returns of the same type is greater than 50 but less than 251;

“(c) \$500, where the number of information returns of the same type is greater than 250 but less than 501;

“(d) \$1,500, where the number of information returns of the same type is greater than 500 but less than 2,501; and”;

(2) by adding the following paragraph at the end:

“(e) \$2,500, where the number of information returns of the same type is greater than 2,500.”

(2) Subsection 1 applies in respect of an information return filed after 31 December 2023.

8. (1) The Act is amended by inserting the following section after section 59.0.0.5:

“**59.0.0.6.** Every person who fails to comply with section 27.2.1 incurs a penalty equal to \$100 for each such failure.”

(2) Subsection 1 applies in respect of an amount paid or remitted after 31 December 2023.

9. (1) The Act is amended by inserting the following sections after section 59.5.13:

“**59.5.14.** In this section and section 59.5.15,

“gross entitlements” of a person at any time, in respect of a planning activity of the person, means the aggregate of the amounts to which the person, or another person not dealing at arm’s length with the person, within the meaning of the Taxation Act (chapter I-3), is entitled, before or after that time and absolutely or contingently, to receive or obtain in respect of the planning activity;

“planning activity” includes

(a) organizing or creating, or assisting in the organization or creation of, an arrangement, an entity, a plan or a scheme; and

(b) participating, directly or indirectly, in the selling of an interest in, or the promotion of, an arrangement, an entity, a plan, a property or a scheme;

“section 14.4 avoidance planning” by a person means a planning activity in respect of a transaction or series of transactions

(a) that is, or is part of, a section 14.4 avoidance transaction; and

(b) one of the purposes of which is to

i. reduce a transferee's solidary liability provided for in section 14.4 in respect of an amount payable or remittable by the transferor under any fiscal law, or that would be payable or remittable by the transferor under such a fiscal law if not for a transaction or series of transactions as part of which

(1) a tax attribute, where the amount is payable or remittable under the Taxation Act, of a person dealing at arm's length, within the meaning of that Act, with the transferor or the transferee immediately prior to the beginning of the transaction or series of transactions, is used, directly or indirectly, to provide a tax benefit for the transferor or the transferee, or for a new corporation, within the meaning of subsection 1 of section 544 of that Act, resulting from the amalgamation of the transferor or the transferee with another corporation, or

(2) an amount, where the amount is payable or remittable under a fiscal law other than the Taxation Act, that is or could be relevant in determining the rights or obligations, under that fiscal law, of a person dealing at arm's length, within the meaning of the Taxation Act, with the transferor or the transferee immediately prior to the beginning of the transaction or series of transactions, is used, directly or indirectly, to provide a tax benefit for the transferor or the transferee, or

ii. reduce the person's or another person's ability to pay an amount the person or other person is or may become liable to pay or remit under any fiscal law;

"section 14.4 avoidance transaction" means a transaction or series of transactions in respect of which

(a) the conditions set out in subparagraph *a* or *b* of the first paragraph of section 14.7.1 are met; or

(b) if section 14.7.1 applied in respect of the transaction or series of transactions, the amount determined in accordance with subparagraph ii of subparagraph *c* of the first paragraph of section 14.7.1 exceeds the amount determined in accordance with subparagraph i of that subparagraph *c*;

"tax attribute" means a balance, pool or other amount determined under the Taxation Act that is or may be relevant in computing income or in determining an amount of tax payable under that Act in a taxation year, within the meaning of that Act, and includes the following attributes determined under that Act:

(a) a capital loss, non-capital loss, restricted farm loss, farm loss and limited partnership loss;

(b) an amount that is deductible in computing a person's income;

(c) a balance of undeducted outlays, expenses or other amounts;

(d) the paid-up capital in respect of a share of a class of a corporation's capital stock;

(e) the cost or capital cost of a property;

(f) an amount that is deductible from an amount otherwise payable; and

(g) an amount that is deemed to have been remitted as an amount payable;

“tax benefit” means a reduction, avoidance or deferral of an amount payable under any fiscal law or an increase in a refund of an amount granted under any fiscal law;

“transaction” includes an arrangement or event;

“transferee” means the transferee referred to in section 14.4;

“transferor” means the transferor referred to in section 14.4.

“59.5.15. Every person who engages in, participates in, assents to or acquiesces in a planning activity that the person knows is section 14.4 avoidance planning, or would reasonably be expected to know is section 14.4 avoidance planning, but for circumstances amounting to gross negligence, incurs a penalty equal to the lesser of

(a) 50% of the aggregate of the amounts that the transferor is otherwise required to pay or remit under any fiscal law in respect of which the solitary liability was sought to be avoided through the planning activity; and

(b) the aggregate of \$100,000 and the person's gross entitlements, in respect of the planning activity, at the time the notice of assessment of the penalty is sent to the person.

A person does not incur the penalty provided for in the first paragraph solely because the person provided clerical services or secretarial services with respect to the planning activity.”

(2) Subsection 1, where it enacts section 59.5.14 of the Act, has effect from (*insert the date of assent to this Act*) and, where it enacts section 59.5.15 of the Act, applies in respect of a transaction or series of transactions that occurs, in whole or in part, after (*insert the date of assent to this Act*).

10. (1) Section 93.1.6 of the Act is amended by replacing the second paragraph by the following paragraph:

“Despite the first paragraph, the notice of suspension provided for in section 999.3 or 999.3.1 of the Taxation Act (chapter I-3) that is reconsidered may be confirmed or vacated, but not varied.”

(2) Subsection 1 has effect from 9 August 2022. In addition, where section 93.1.6 of the Act applies after 31 December 2011 and before 9 August 2022, the second paragraph of that section is to be read as if “section 999.3 or 999.3.1” were replaced by “section 999.3”.

11. (1) Sections 93.1.7, 93.1.9 and 93.1.11 of the Act are amended by replacing “a.2” by “a.3”.

(2) Subsection 1 has effect from 1 January 2023.

ACT CONSTITUTING CAPITAL RÉGIONAL ET COOPÉRATIF DESJARDINS

12. (1) Section 10 of the Act constituting Capital régional et coopératif Desjardins (chapter C-6.1) is amended, in the second paragraph,

(1) by replacing “3 to 5” in the portion of subparagraph 2 before subparagraph *a* by “3 to 6”;

(2) by adding the following subparagraph at the end:

“(6) \$125,000,000, if the capitalization period is the period that ends on 28 February 2025.”

(2) Subsection 1 has effect from 1 March 2024.

13. (1) Section 15 of the Act is amended by replacing the second paragraph by the following paragraph:

“The board of directors may also fix the price of redemption referred to in the first paragraph at any other time in the year, on the basis of

(1) an internal valuation which, in each case, is the subject of a special report of independent chartered accountants confirming continued adherence to the principles and methods used to value the Société and referred to in the first paragraph; or

(2) a summary internal update of the value of the Société made in accordance with an internal policy approved by the board of directors which, in each case, is the subject of a report of independent auditors confirming adherence to the policy.”

(2) Subsection 1 has effect from 2 March 2024.

14. (1) Section 19.0.0.7 of the Act is amended by replacing subparagraph 3 of the first paragraph by the following subparagraph:

“(3) the aggregate of all investments each of which is an investment included in the class provided for in subparagraph 3 of the first paragraph of section 19.0.0.2

(other than an investment consisting of dwellings and carried out as part of an agreement entered into with the Government or a mandatary of the State) may not exceed 10% of the Société’s average net assets for the preceding fiscal year; and”.

(2) Subsection 1 has effect from 1 January 2024.

ACT TO ESTABLISH FONDACTION, LE FONDS
DE DÉVELOPPEMENT DE LA CONFÉDÉRATION DES SYNDICATS
NATIONAUX POUR LA COOPÉRATION ET L’EMPLOI

15. (1) The Act to establish Fondation, le Fonds de développement de la Confédération des syndicats nationaux pour la coopération et l’emploi (chapter F-3.1.2) is amended by replacing the heading “CONSTITUTION AND HEAD OFFICE” before section 1 by the following:

“§1.—*Constitution and head office*”.

(2) Subsection 1 has effect from 1 June 2024.

16. (1) The Act is amended by replacing the heading “ADMINISTRATION” before section 4 by the following:

“§2.—*Administration*”.

(2) Subsection 1 has effect from 1 June 2024.

17. (1) Section 4 of the Act is amended

(1) by replacing subparagraph 1 of the first paragraph by the following subparagraph:

“(1) six persons appointed by the executive committee of the Confédération des syndicats nationaux, including four who qualify as independent persons;”;

(2) by striking out subparagraph 2 of the first paragraph;

(3) by replacing subparagraph 3 of the first paragraph by the following subparagraph:

“(3) eight persons elected by the general meeting of holders of class “A” and class “B” shares, including four who qualify as independent persons and whose candidacy is recommended to the board by the governance and ethics committee; and”;

(4) by striking out subparagraph 4 of the first paragraph;

(5) by striking out the second paragraph.

(2) Subsection 1 has effect from 12 April 2024.

(3) Despite subsection 2, Fondation, le Fonds de développement de la Confédération des syndicats nationaux pour la coopération et l'emploi has the period that begins on 12 April 2024 and ends on 1 June 2026 to reorganize its board of directors to bring it into conformity with section 4 of the Act, as amended by subsection 1.

18. (1) The Act is amended by inserting the following section after section 4.3:

“4.3.1. Unless otherwise provided in this Act, the board of directors may delegate its powers to one of its members, to an officer of the Fund or to one or more committees; the latter may be composed of persons who are not members of the board.”

(2) Subsection 1 has effect from 1 June 2024.

19. (1) Section 4.5 of the Act is amended

(1) by replacing paragraph 2 by the following paragraph:

“(2) giving the board its assessment as to whether a person, in light of the committee’s examination, qualifies as an independent person, except in the case of board members whose candidacy the committee has recommended; and”;

(2) by adding the following paragraph at the end:

“(3) recommending to the board, for the purposes of paragraph 3 of section 4, the candidacy of a person who, in light of the committee’s examination, qualifies as an independent person.”

(2) Subsection 1 has effect from 12 April 2024.

20. (1) Section 5 of the Act is amended by replacing the first paragraph by the following paragraph:

“The chief executive officer of the Fund is appointed by the members of the board of directors referred to in paragraphs 1 and 3 of section 4.”

(2) Subsection 1 has effect from 12 April 2024.

(3) However, for the purpose of applying section 5 of the Act in the period that begins on 12 April 2024 and ends on 1 June 2026, a member of the board of directors of Fondation, le Fonds de développement de la Confédération des syndicats nationaux pour la coopération et l'emploi referred to in subparagraph 2 or 4 of the first paragraph of section 4 of the Act, as it read on 11 April 2024, is deemed to be referred to in paragraph 1 or 3 of section 4 of the Act.

21. (1) Section 6 of the Act is amended by striking out the second paragraph.

(2) Subsection 1 has effect from 12 April 2024.

(3) However, the second paragraph of section 6 of the Act continues to apply until there are no more members of the board of directors of Fondation, le Fonds de développement de la Confédération des syndicats nationaux pour la coopération et l'emploi who are, at any time in the period that begins on 12 April 2024 and ends on 1 June 2026, referred to in subparagraph 2 of the first paragraph of section 4 of the Act, as it read on 11 April 2024.

22. (1) The Act is amended by inserting the following before section 8:

“§3.—*Share capital*”.

(2) Subsection 1 has effect from 1 June 2024.

23. (1) Section 8 of the Act is amended by replacing “four” in the first paragraph by “eight”.

(2) Subsection 1 has effect from 12 April 2024.

(3) However, the number of directors that the holders of class “A” or class “B” shares issued by Fondation, le Fonds de développement de la Confédération des syndicats nationaux pour la coopération et l'emploi may, under the first paragraph of section 8 of the Act, elect at a general meeting held during the period that begins on 12 April 2024 and ends on 1 June 2026 is the number, which may not be less than four nor more than eight, that the Fund considers appropriate to bring its board of directors into conformity with the provisions of section 4 of the Act, as amended by section (*insert the number of the section in this Act that amends section 4 of the Act to establish Fondation, le Fonds de développement de la Confédération des syndicats nationaux pour la coopération et l'emploi*) of this Act.

24. (1) Section 9 of the Act, amended by section 19 of chapter 11 of the statutes of 2024, is replaced by the following section:

“**9.** Only a person of full age may acquire or hold a class “A” or class “B” share or fractional share. The holder of a class “A” or class “B” share or fractional share may not alienate it.

Subject to section 123.56 of the Companies Act (chapter C-38), a class “A” share or fractional share may be purchased by agreement by the Fund. However, the Fund may purchase such a share or fractional share by agreement only in the cases and in the manner provided by a policy adopted by the board of directors and approved by the Minister of Finance and only at a price not exceeding the redemption price determined in accordance with section 14.

In addition, subject to section 123.53 of the Companies Act, a class “A” share or fractional share may be unilaterally redeemed by the Fund. However, the Fund may unilaterally redeem such a share or fractional share only in compliance with the provisions of a policy adopted by the board of directors and approved by the Minister of Finance and only at a price corresponding to the redemption price determined in accordance with section 14.

The first paragraph does not prevent the transfer of a class “A” or class “B” share or fractional share held in a non-registered savings account of the shareholder to another non-registered savings account of the shareholder.”

(2) Subsection 1 has effect from 1 June 2024.

25. (1) Section 10 of the Act is amended

(1) by replacing the first paragraph by the following paragraph:

“Despite section 9, a class “A” or class “B” share or fractional share may

(1) in the case of a newly acquired share or fractional share, be transferred, immediately after its acquisition, to a trustee within the scope of a registered retirement savings plan under which the shareholder or the shareholder’s spouse is the beneficiary; or

(2) in the case of a share or fractional share held in a non-registered savings account of the shareholder, be transferred to a trustee within the scope of a registered retirement savings plan under which the shareholder or the shareholder’s spouse or former spouse is the beneficiary.”;

(2) by inserting the following paragraph after the first paragraph:

“However, the beneficiary of the plan is deemed to keep the voting rights attached to the share thus transferred. In addition, for the purposes of the second and third paragraphs of section 9 and section 11, the spouse or former spouse is deemed to be the person who acquired the transferred share or fractional share from the Fund.”

(2) Subsection 1 has effect from 1 June 2024.

26. (1) Sections 10.1 and 10.2 of the Act are replaced by the following sections:

“10.1. Despite section 9, a class “A” or class “B” share or fractional share, held within the scope of a registered retirement savings plan under which the shareholder or the shareholder’s spouse is the beneficiary, may be transferred

(1) to a trustee within the scope of another registered retirement savings plan or a registered retirement income fund, as the case may be, under which the shareholder or the shareholder’s spouse or former spouse is the beneficiary; or

(2) to a non-registered savings account of the shareholder or of the shareholder's spouse or former spouse.

For the purposes of the second and third paragraphs of section 9 and section 11, the spouse or former spouse is deemed to be the person who acquired the transferred share or fractional share from the Fund.

Where a share or fractional share is transferred under subparagraph 1 of the first paragraph to a trustee within the scope of a plan or a fund, the following rules apply:

(1) the beneficiary of the plan or fund is deemed to keep the voting rights attached to the share thus transferred; and

(2) subject to the first paragraph and section 10.2, the trustee is subject to section 9 in respect of any transfer to a person other than the beneficiary of the plan or fund.

“10.2. Despite section 9, a class “A” or class “B” share or fractional share, held within the scope of a registered retirement income fund under which the shareholder or the shareholder's spouse is the beneficiary, may be transferred

(1) to a trustee within the scope of another registered retirement income fund or a registered retirement savings plan, as the case may be, under which the shareholder or the shareholder's spouse or former spouse is the beneficiary; or

(2) to a non-registered savings account of the shareholder or of the shareholder's spouse or former spouse.

For the purposes of the second and third paragraphs of section 9 and section 11, the spouse or former spouse is deemed to be the person who acquired the transferred share or fractional share from the Fund.

Where a share or fractional share is transferred under subparagraph 1 of the first paragraph to a trustee within the scope of a fund or a plan, the following rules apply:

(1) the beneficiary of the fund or plan is deemed to keep the voting rights attached to the share thus transferred; and

(2) subject to the first paragraph and section 10.1, the trustee is subject to section 9 in respect of any transfer to a person other than the beneficiary of the fund or plan.”

(2) Subsection 1 has effect from 1 June 2024.

27. (1) The Act is amended by inserting the following section after section 10.2:

“10.3. Despite section 9, a class “A” or class “B” share or fractional share held in a non-registered savings account of the shareholder may be transferred to a non-registered savings account of the shareholder’s spouse or former spouse. For the purposes of the second and third paragraphs of section 9 and section 11, the spouse or former spouse is deemed to be the person who acquired the transferred share or fractional share from the Fund.”

(2) Subsection 1 has effect from 1 June 2024.

28. (1) Section 11 of the Act, amended by section 20 of chapter 11 of the statutes of 2024, is again amended

(1) by replacing subparagraphs *a* to *d* of paragraph 1 by the following subparagraphs:

“(a) two years prior to the request, where the request is made before 1 June 2027,

“(b) three years prior to the request, where the request is made after 31 May 2027 and before 1 June 2029,

“(c) four years prior to the request, where the request is made after 31 May 2029 and before 1 June 2031, or

“(d) five years prior to the request, where the request is made after 31 May 2031;”;

(2) by replacing subparagraphs *a* to *d* of paragraph 2 by the following subparagraphs:

“(a) two years prior to the date of redemption, where the request is made before 1 June 2027,

“(b) three years prior to the date of redemption, where the request is made after 31 May 2027 and before 1 June 2029,

“(c) four years prior to the date of redemption, where the request is made after 31 May 2029 and before 1 June 2031, or

“(d) five years prior to the date of redemption, where the request is made after 31 May 2031;”;

(3) by adding the following paragraphs at the end:

“(6) at the request of a person who is the trustee to whom the share or fractional share has been transferred within the scope of a registered retirement

savings plan or registered retirement income fund under which an individual (in this paragraph referred to as the “annuitant”) is the beneficiary, if the individual is deceased and

(a) the plan or fund is an annuity contract,

(b) a person has been designated by the annuitant as the beneficiary under the plan or fund and the person is entitled to receive as such an amount under the plan or fund following the annuitant’s death, and

(c) the request is made with a view to paying an amount under the plan or fund to the person referred to in subparagraph *b*; or

“(7) at the request of a person who is the beneficiary under a registered retirement savings plan within the scope of which the share or fractional share has been transferred, if the person reaches 71 years of age in the year of the request and the request is made with a view to transferring, on maturity of the plan, the proceeds from the redemption of the share or fractional share to a registered retirement income fund under which the person is the beneficiary.”

(2) Paragraphs 1 and 2 of subsection 1 and paragraph 3 of that subsection, where it enacts paragraph 7 of section 11 of the Act, have effect from 1 June 2024.

(3) Paragraph 3 of subsection 1, where it enacts paragraph 6 of section 11 of the Act, is declaratory.

29. (1) Section 11.1 of the Act is amended by replacing subparagraph 4 of the first paragraph by the following subparagraph:

“(4) the person has reached 55 years of age and receives or will, within three months after the day of the request, receive a life annuity under a pension plan, an annuity under a registered retirement savings plan, a deferred profit sharing plan or a life income fund or a payment under a registered retirement income fund, unless the annuity or payment is received because of the death of his spouse;”.

(2) Subsection 1 has effect from 1 June 2024.

30. (1) The Act is amended by inserting the following section after section 13:

“13.1. Where a share or fractional share held within the scope of a registered retirement savings plan, a registered retirement income fund or a non-registered savings account (each of which is in this section referred to as an “account”) has been the subject of a purchase by agreement under the second paragraph of section 9 or of a redemption under section 11 and where, following that purchase or redemption, there remains in the account but shares or fractional shares issued by the Fund the total value of which is \$1,500 or less, the Fund

may, subject to section 123.53 of the Companies Act (chapter C-38), unilaterally redeem all of those shares or fractional shares at a price corresponding to the redemption price determined in accordance with section 14 and the account may be closed.

However, the Fund may not proceed with such a unilateral redemption until the class “B” shares held in the account, where applicable, have been exchanged for class “A” shares in accordance with the fourth paragraph of section 8.

The first paragraph does not apply where a share or fractional share has been the subject of a purchase by agreement in accordance with the criteria of the policy referred to in the second paragraph of section 9 that concern the Home Buyers’ Plan or the Lifelong Learning Incentive Plan whose provisions are provided for, respectively, in Titles IV.1 and IV.2 of Book VII of Part I of the Taxation Act (chapter I-3).”

(2) Subsection 1 has effect from 1 June 2024.

31. (1) Section 14 of the Act is amended

(1) by replacing the first paragraph by the following paragraph:

“The price of redemption of the class “A” shares or fractional shares shall be fixed by the board of directors twice a year, on dates six months apart, on the basis of the value of the Fund as established by experts under the responsibility of independent chartered accountants according to generally accepted accounting principles and adjusted, if necessary, to reflect the fair value of investments in enterprises the Fund controls, in joint ventures and in enterprises on which it has significant influence or in which it holds variable interests.”;

(2) by inserting the following paragraph after the first paragraph:

“The board of directors may also fix the price of redemption referred to in the first paragraph at any other time in the year, on the basis of

(1) an internal valuation which, in each case, is the subject of a special report of independent chartered accountants confirming continued adherence to the principles and methods used to value the Fund and referred to in the first paragraph; or

(2) a summary internal update of the value of the Fund made in accordance with an internal policy approved by the board of directors which, in each case, is the subject of a report of independent auditors confirming adherence to the policy.”

(2) Subsection 1 has effect from 2 March 2024.

32. (1) Section 14.1 of the Act is replaced by the following section:

“14.1. A request for purchase by agreement made under section 9, a request for transfer made under subparagraph 2 of the first paragraph of section 10 or any of sections 10.1 to 10.3 and a request for redemption made under section 11 must be filed with the Fund in the form prescribed by the Fund and accompanied by the information and documents prescribed by the Fund.”

(2) Subsection 1 has effect from 1 June 2024.

33. (1) Section 15 of the Act is amended by replacing the first paragraph by the following paragraph:

“Each shareholder is entitled to receive written confirmation of the number of shares or fractional shares the shareholder holds and of the amount paid for all of them.”

(2) Subsection 1 has effect from 1 June 2024.

34. (1) The heading of subdivision 2 of Division II of the Act is replaced by the following heading:

“§2.—*Prior approval of investments*”.

(2) Subsection 1 has effect from 1 June 2024.

35. (1) Section 18.2 of the Act is replaced by the following section:

“18.2. Each investment must be approved in advance by the board of directors after being favourably recommended by an investment committee charged with examining it.

However, to the extent it determines, the board may delegate the power to approve an investment to such a committee or, if the power is delegated in accordance with a policy adopted by the board and approved by the Minister of Finance, to a committee composed of officers of the Fund or to the chief executive officer of the Fund.”

(2) Subsection 1 has effect from 1 June 2024. In addition, where section 18.2 of the Act applies after 7 July 2020 and before 1 June 2024, it is to be read as follows:

“18.2. A committee of the board of directors may authorize an investment if the committee is composed of a majority of independent persons. Such a committee may be composed of persons who are not members of the board.”

36. (1) The Act is amended by inserting the following sections after section 18.2:

“18.3. The board of directors must set up at least one investment committee.

If it sets up more than one investment committee, the board must specify the economic sector in which the investments each committee is responsible for are to be made, and one committee must have jurisdiction over investments not covered by the other committees.

“18.4. An investment committee may be composed of persons who are not members of the board of directors. It must be chaired by one of its members who qualifies as an independent person, and may only deliberate and make decisions in the presence of a majority of independent persons.”

(2) Subsection 1 has effect from 1 June 2024.

37. (1) Section 19.8 of the Act, enacted by section 26 of chapter 11 of the statutes of 2024, is amended by replacing subparagraph 2 of the first paragraph by the following subparagraph:

“(2) the aggregate of all investments each of which is an investment included in the class provided for in subparagraph 3 of the first paragraph of section 19.3 (other than an investment consisting of dwellings and carried out as part of an agreement entered into with the Government or a mandatary of the State) may not exceed 10% of the Fund’s average net assets for the preceding fiscal year; and”.

(2) Subsection 1 has effect from 1 June 2024.

38. (1) Section 21 of the Act, amended by section 28 of chapter 11 of the statutes of 2024, is again amended by replacing “referred to in” in the first paragraph by “referred to in the first paragraph of”.

(2) Subsection 1 has effect from 2 March 2024.

39. (1) Section 27 of the Act is amended by replacing “in subparagraph 1, 2, 3 or 5 of the first paragraph” by “in any of paragraphs 1, 3 and 5”.

(2) Subsection 1 has effect from 12 April 2024.

(3) However, for the purpose of applying section 27 of the Act in the period that begins on 12 April 2024 and ends on 1 June 2026, a member of the board of directors of Fondation, le Fonds de développement de la Confédération des syndicats nationaux pour la coopération et l’emploi referred to in subparagraph 2 of the first paragraph of section 4 of the Act, as it read on 11 April 2024, is deemed to be referred to in paragraph 1 or 3 of section 4 of the Act.

40. (1) The heading of Division V of the Act is replaced by the following heading:

“ACQUISITION OF SHARES OR FRACTIONAL SHARES BY PAYROLL DEDUCTION, BY AGREEMENT WITH A SAVINGS UNION OR BY EMPLOYER CONTRIBUTION”.

(2) Subsection 1 has effect from 1 June 2024.

41. (1) The Act is amended by inserting the following section after section 35:

“**35.1.** The first and second paragraphs of section 35 apply, with the necessary modifications, to an employer in relation to an amount the employer is required, under a collective agreement, group agreement or any other contract concerning conditions of employment, to pay for the benefit of an individual for the acquisition of class “A” or class “B” shares or fractional shares.”

(2) Subsection 1 has effect from 1 June 2024.

42. (1) Section 36 of the Act, amended by section 30 of chapter 11 of the statutes of 2024, is replaced by the following section:

“**36.** An individual for the benefit of whom sums have been remitted in accordance with section 35 is deemed to have subscribed for as many of the Fund’s class “A” or class “B” shares or fractional shares as the sums remitted permit the individual to acquire provided the membership criteria established by the Fund are met.”

(2) Subsection 1 has effect from 1 June 2024.

43. (1) The heading of Division VI of the Act is replaced by the following heading:

“INSPECTION AND SELF-ASSESSMENT”.

(2) Subsection 1 has effect from 1 June 2024.

44. (1) Section 37 of the Act is amended by replacing the first paragraph by the following paragraph:

“In addition to the other statutory functions it may exercise regarding the operations of the Fund, the Autorité des marchés financiers conducts, once every three years and whenever it considers it necessary to do so according to a risk-based assessment, an inspection of the Fund’s internal affairs and activities to ascertain compliance with this Act in relation to a fiscal year.”

(2) Subsection 1 has effect from 1 June 2024.

45. (1) The Act is amended by inserting the following section after section 37:

“37.1. For each fiscal year for which no inspection has been conducted under section 37, the Fund must, in the form and within the time prescribed by the Autorité des marchés financiers, assess and document its own compliance with this Act.

The Fund must present the conclusions of that self-assessment in a report prepared in the form prescribed by the Authority.

The report must be sent to the Fund’s board of directors, the Minister of Finance and the Authority within the time prescribed by the latter.”

(2) Subsection 1 has effect from 1 June 2024.

46. (1) The Act is amended by inserting the following before section 39:

“DIVISION VII

“MISCELLANEOUS AND FINAL PROVISIONS”.

(2) Subsection 1 has effect from 1 June 2024.

ACT TO ESTABLISH THE FONDS DE SOLIDARITÉ DES TRAVAILLEURS ET DES TRAVAILLEUSES DU QUÉBEC (FTQ)

47. (1) The Act to establish the Fonds de solidarité des travailleurs et des travailleuses du Québec (FTQ) (chapter F-3.2.1) is amended by inserting the following section before section 6.1:

“6.0.1. Unless otherwise provided in this Act, the board of directors may delegate its powers to one of its members, to an officer of the Fund or to one or more committees; the latter may be composed of persons who are not members of the board.”

(2) Subsection 1 has effect from 1 June 2024.

48. (1) Section 8 of the Act, amended by section 34 of chapter 11 of the statutes of 2024, is replaced by the following section:

“8. Only a person of full age may acquire or hold a class “A” share or fractional share. The holder of a class “A” share or fractional share may not alienate it.

Subject to section 123.56 of the Companies Act (chapter C-38), a class “A” share or fractional share may be purchased by agreement by the Fund. However, the Fund may purchase such a share or fractional share by agreement only in the cases and to the extent provided by a policy adopted by the board of directors

and approved by the Minister of Finance and only at a price not exceeding the redemption price determined in accordance with the second or third paragraph of section 11.

In addition, subject to section 123.53 of the Companies Act, a class “A” share or fractional share may be unilaterally redeemed by the Fund. However, the Fund may unilaterally redeem such a share or fractional share only in compliance with the provisions of a policy adopted by the board of directors and approved by the Minister of Finance and only at a price corresponding to the redemption price determined in accordance with the second or third paragraph of section 11.

The first paragraph does not prevent the transfer of a class “A” share or fractional share held in a non-registered savings account of the shareholder to another non-registered savings account of the shareholder.”

(2) Subsection 1 has effect from 1 June 2024.

49. (1) Section 9 of the Act is amended

(1) by replacing the first paragraph by the following paragraph:

“Despite section 8, a class “A” share or fractional share may

(1) in the case of a newly acquired share or fractional share, be transferred, immediately after its acquisition, to a trustee within the scope of a registered retirement savings plan under which the shareholder or the shareholder’s spouse is the beneficiary; or

(2) in the case of a share or fractional share held in a non-registered savings account of the shareholder, be transferred to a trustee within the scope of a registered retirement savings plan under which the shareholder or the shareholder’s spouse or former spouse is the beneficiary.”;

(2) by inserting the following paragraph after the first paragraph:

“However, the beneficiary of the plan is deemed to keep the voting rights attached to the share thus transferred. In addition, for the purposes of the second and third paragraphs of section 8 and section 10, the spouse or former spouse is deemed to be the person who acquired the transferred share or fractional share from the Fund.”

(2) Subsection 1 has effect from 1 June 2024.

50. (1) Sections 9.1 and 9.2 of the Act are replaced by the following sections:

“9.1. Despite section 8, a class “A” share or fractional share, held within the scope of a registered retirement savings plan under which the shareholder or the shareholder’s spouse is the beneficiary, may be transferred

(1) to a trustee within the scope of another registered retirement savings plan or a registered retirement income fund described in section 9.4, as the case may be, under which the shareholder or the shareholder's spouse or former spouse is the beneficiary; or

(2) to a non-registered savings account of the shareholder or of the shareholder's spouse or former spouse.

For the purposes of the second and third paragraphs of section 8 and section 10, the spouse or former spouse is deemed to be the person who acquired the transferred share or fractional share from the Fund.

Where a share or fractional share is transferred under subparagraph 1 of the first paragraph to a trustee within the scope of a plan or a fund, the following rules apply:

(1) the beneficiary of the plan or fund is deemed to keep the voting rights attached to the share thus transferred; and

(2) subject to the first paragraph and section 9.2, the trustee is subject to section 8 in respect of any transfer to a person other than the beneficiary of the plan or fund.

“9.2. Despite section 8, a class “A” share or fractional share, held within the scope of a registered retirement income fund under which the shareholder or the shareholder's spouse is the beneficiary, may be transferred

(1) to a trustee within the scope of a registered retirement income fund described in section 9.4 or a registered retirement savings plan, as the case may be, under which the shareholder or the shareholder's spouse or former spouse is the beneficiary; or

(2) to a non-registered savings account of the shareholder or of the shareholder's spouse or former spouse.

For the purposes of the second and third paragraphs of section 8 and section 10, the spouse or former spouse is deemed to be the person who acquired the transferred share or fractional share from the Fund.

Where a share or fractional share is transferred under subparagraph 1 of the first paragraph to a trustee within the scope of a fund or a plan, the following rules apply:

(1) the beneficiary of the fund or plan is deemed to keep the voting rights attached to the share thus transferred; and

(2) subject to the first paragraph and section 9.1, the trustee is subject to section 8 in respect of any transfer to a person other than the beneficiary of the fund or plan.”

(2) Subsection 1 has effect from 1 June 2024.

51. (1) The Act is amended by inserting the following sections after section 9.2:

“9.3. Despite section 8, a class “A” share or fractional share held in a non-registered savings account of the shareholder may be transferred to a non-registered savings account of the shareholder’s spouse or former spouse. For the purposes of the second and third paragraphs of section 8 and section 10, the spouse or former spouse is deemed to be the person who acquired the transferred share or fractional share from the Fund.

“9.4. The registered retirement income fund to which subparagraph 1 of the first paragraph of sections 9.1 and 9.2 refers is the Fund’s registered retirement income fund or the fund within the scope of which savings products offered by the Fund may be held.”

(2) Subsection 1 has effect from 1 June 2024.

52. (1) Section 10 of the Act, amended by section 35 of chapter 11 of the statutes of 2024, is again amended

(1) by replacing subparagraphs *a* to *d* of paragraph 1 by the following subparagraphs:

“(a) two years prior to the request, where the request is made before 1 June 2027,

“(b) three years prior to the request, where the request is made after 31 May 2027 and before 1 June 2029,

“(c) four years prior to the request, where the request is made after 31 May 2029 and before 1 June 2031, or

“(d) five years prior to the request, where the request is made after 31 May 2031;”;

(2) by replacing subparagraphs *a* to *d* of paragraph 2 by the following subparagraphs:

“(a) two years prior to the date of redemption, where the request is made before 1 June 2027,

“(b) three years prior to the date of redemption, where the request is made after 31 May 2027 and before 1 June 2029,

“(c) four years prior to the date of redemption, where the request is made after 31 May 2029 and before 1 June 2031, or

“(d) five years prior to the date of redemption, where the request is made after 31 May 2031;”;

(3) by adding the following paragraphs at the end:

“(6) at the request of a person who is the trustee to whom the share or fractional share has been transferred within the scope of a registered retirement savings plan or registered retirement income fund under which an individual (in this paragraph referred to as the “annuitant”) is the beneficiary, if the individual is deceased and

(a) the plan or fund is an annuity contract,

(b) a person has been designated by the annuitant as the beneficiary under the plan or fund and the person is entitled to receive as such an amount under the plan or fund following the annuitant’s death, and

(c) the request is made with a view to paying an amount under the plan or fund to the person referred to in subparagraph b; or

“(7) at the request of a person who is the beneficiary under a registered retirement savings plan within the scope of which the share or fractional share has been transferred, if the person reaches 71 years of age in the year of the request and the request is made with a view to transferring, on maturity of the plan, the proceeds from the redemption of the share or fractional share to a registered retirement income fund under which the person is the beneficiary.”

(2) Subsection 1 has effect from 1 June 2024.

53. (1) Section 10.0.1 of the Act is amended by replacing subparagraph 4 of the first paragraph by the following subparagraph:

“(4) the person has reached 55 years of age and receives or will, within three months after the day of the request, receive a life annuity under a pension plan, an annuity under a registered retirement savings plan, a deferred profit sharing plan or a life income fund or a payment under a registered retirement income fund, unless the annuity or payment is received because of the death of his spouse;”.

(2) Subsection 1 has effect from 1 June 2024.

54. (1) The Act is amended by inserting the following section after section 10.1:

“**10.2.** Where a share or fractional share held within the scope of a registered retirement savings plan, a registered retirement income fund or a non-registered savings account (each of which is in this section referred to as an “account”) has been the subject of a purchase by agreement under the second paragraph of section 8 or of a redemption under section 10 and where, following

that purchase or redemption, there remains in the account but shares or fractional shares issued by the Fund the total value of which is \$1,500 or less, the Fund may, subject to section 123.53 of the Companies Act (chapter C-38), unilaterally redeem all of those shares or fractional shares at a price corresponding to the redemption price determined in accordance with the second or third paragraph of section 11 and the account may be closed.

However, the first paragraph does not apply where a share or fractional share has been the subject of a purchase by agreement in accordance with the criteria of the policy referred to in the second paragraph of section 8 that concern the Home Buyers' Plan or the Lifelong Learning Incentive Plan whose provisions are provided for, respectively, in Titles IV.1 and IV.2 of Book VII of Part I of the Taxation Act (chapter I-3)."

(2) Subsection 1 has effect from 1 June 2024.

55. (1) Section 11 of the Act is amended

(1) by replacing "contemplated in paragraph 1, 2, 3 or 5" in the first paragraph by "referred to in any of paragraphs 1 to 3.1 and 5 to 7";

(2) by replacing the third paragraph by the following paragraph:

"The board of directors may also fix the price of redemption referred to in the second paragraph at any other time in the year, on the basis of

(1) an internal valuation which, in each case, is the subject of a special report of chartered accountants confirming continued adherence to the principles and methods used to value the Fund and referred to in the second paragraph; or

(2) a summary internal update of the value of the Fund made in accordance with an internal policy approved by the board of directors which, in each case, is the subject of a report of independent auditors confirming adherence to the policy."

(2) Paragraph 1 of subsection 1, where it inserts a reference to paragraph 3.1 of section 10 of the Act in the first paragraph of section 11 of the Act, has effect from 24 June 2009 and, where it inserts a reference to paragraphs 6 and 7 of that section 10 in that first paragraph, has effect from 1 June 2024.

(3) Paragraph 2 of subsection 1 has effect from 2 March 2024.

56. (1) Section 11.1 of the Act is replaced by the following section:

"11.1. A request for purchase by agreement made under section 8, a request for transfer made under subparagraph 2 of the first paragraph of section 9 or any of sections 9.1 to 9.3 and a request for redemption made under section 10 must be filed with the Fund in the form prescribed by the Fund and accompanied by the information and documents prescribed by the Fund."

(2) Subsection 1 has effect from 1 June 2024.

57. (1) Section 12 of the Act is amended by replacing the first paragraph by the following paragraph:

“Each shareholder is entitled to receive written confirmation of the number of shares or fractional shares the shareholder holds and of the amount paid for all of them.”

(2) Subsection 1 has effect from 1 June 2024.

58. (1) Section 14.2 of the Act is amended by replacing the second paragraph by the following paragraph:

“However, to the extent it determines, the board may delegate the power to approve an investment to such a committee or, if the power is delegated in accordance with a policy adopted by the board and approved by the Minister of Finance, to a committee composed of officers of the Fund or to the president and chief executive officer.”

(2) Subsection 1 has effect from 1 June 2024.

59. (1) Section 15.0.8 of the Act, enacted by section 41 of chapter 11 of the statutes of 2024, is amended by replacing subparagraph 2 of the first paragraph by the following subparagraph:

“(2) the aggregate of all investments each of which is an investment included in the class provided for in subparagraph 3 of the first paragraph of section 15.0.3 (other than an investment consisting of dwellings and carried out as part of an agreement entered into with the Government or a mandatary of the State) may not exceed 10% of the Fund’s average net assets for the preceding fiscal year; and”.

(2) Subsection 1 has effect from 1 June 2024.

60. (1) The heading of Division IV of the Act is replaced by the following heading:

“PURCHASE OF SHARES OR FRACTIONAL SHARES BY
PAYROLL DEDUCTION OR BY EMPLOYER CONTRIBUTION”.

(2) Subsection 1 has effect from 1 June 2024.

61. (1) The Act is amended by inserting the following section after section 27:

“**27.1.** The first and second paragraphs of section 27 apply, with the necessary modifications, to an employer in relation to an amount the employer

is required, under a collective agreement, group agreement or any other contract concerning conditions of employment, to pay for the benefit of an employee for the acquisition of class “A” shares or fractional shares.”

(2) Subsection 1 has effect from 1 June 2024.

62. (1) Section 28 of the Act is replaced by the following section:

“**28.** An employee for the benefit of whom sums have been remitted in accordance with section 27 is deemed to have subscribed for as many of the Fund’s class “A” shares and fractional shares as the sums remitted permit the employee to acquire provided the membership criteria established by the Fund are met.”

(2) Subsection 1 has effect from 1 June 2024.

63. (1) The heading of Division V of the Act is replaced by the following heading:

“INSPECTION AND SELF-ASSESSMENT”.

(2) Subsection 1 has effect from 1 June 2024.

64. (1) Section 30 of the Act is amended by replacing the first paragraph by the following paragraph:

“In addition to the other statutory functions it may exercise regarding the operations of the Fund, the Autorité des marchés financiers conducts, once every three years and whenever it considers it necessary to do so according to a risk-based assessment, an inspection of the Fund’s internal affairs and activities to ascertain whether this Act is being complied with in relation to a fiscal year.”

(2) Subsection 1 has effect from 1 June 2024.

65. (1) The Act is amended by inserting the following section after section 30:

“**30.1.** For each fiscal year for which no inspection has been conducted under section 30, the Fund must, in the form and within the time prescribed by the Autorité des marchés financiers, assess and document its own compliance with this Act.

The Fund must present the conclusions of that self-assessment in a report prepared in the form prescribed by the Authority.

The report must be sent to the Fund’s board of directors, the Minister of Finance and the Authority within the time prescribed by the latter.”

(2) Subsection 1 has effect from 1 June 2024.

66. (1) The Act is amended by inserting the following before section 31:

“DIVISION VI

“MISCELLANEOUS AND FINAL PROVISIONS”.

(2) Subsection 1 has effect from 1 June 2024.

TOBACCO TAX ACT

67. (1) Section 8 of the Tobacco Tax Act (chapter I-2) is amended

(1) by replacing paragraphs *a* to *b.1* by the following paragraphs:

“(a) \$0.209 per cigarette;

“(b) \$0.209 per gram of any loose tobacco;

“(b.1) \$0.209 per gram of any leaf tobacco;”;

(2) by replacing paragraph *d* by the following paragraph:

“(d) \$0.3215 per gram of any tobacco other than cigarettes, loose tobacco, leaf tobacco or cigars. However, if the quantity of tobacco contained in a tobacco stick, a roll of tobacco or any other pre-rolled tobacco product designed for smoking is such that the consumer tax payable under this paragraph is less than \$0.209 per tobacco stick, roll of tobacco or other pre-rolled tobacco product, the consumer tax is \$0.209 per tobacco stick, roll of tobacco or other pre-rolled tobacco product designed for smoking.”

(2) Subsection 1 has effect from 13 March 2024. However, where section 8 of the Act applies before 6 January 2025, paragraphs *a* to *b.1* of that section are to be read as if “0.209” were replaced by “0.199”, and paragraph *d* of that section is to be read as if “0.3215” were replaced by “0.3061” and “0.209” were replaced wherever it appears by “0.199”.

(3) In addition, not later than 12 April 2024, the following persons must make a report to the Minister of Revenue, in the prescribed form, on the inventory of the tobacco products to which subsection 1 refers that they have in stock at 24:00 on 12 March 2024 and, at the same time, remit to the Minister of Revenue the amount equal to the tobacco tax, computed at the rate in effect on 13 March 2024 in respect of the tobacco products, after deduction of the amount equal to the tobacco tax computed at the rate in effect on 12 March 2024, if remittance has not otherwise been made to the Minister of Revenue:

(1) a person who has not made an agreement under section 17 of the Act and who, in Québec, sells tobacco products in respect of which the amount equal to the tobacco tax has been or should have been collected in advance; and

(2) a collection officer who has made an agreement under section 17 of the Act and who, in Québec, sells tobacco products in respect of which the amount equal to the tobacco tax has been paid in advance or is required to be paid.

(4) The persons referred to in paragraphs 1 and 2 of subsection 3 must also, not later than 7 February 2025, make a report to the Minister of Revenue, in the prescribed form, on the inventory of the tobacco products to which subsection 1 refers that they have in stock at 24:00 on 5 January 2025 and, at the same time, remit to the Minister of Revenue the amount equal to the tobacco tax, computed at the rate in effect on 6 January 2025 in respect of the tobacco products, after deduction of the amount equal to the tobacco tax computed at the rate in effect on 5 January 2025, if remittance has not otherwise been made to the Minister of Revenue.

(5) For the purposes of subsections 3 and 4, the tobacco products that a person has in stock at 24:00 on 12 March 2024 or 5 January 2025 include any tobacco products that have been acquired by the person but that have not been delivered to the person at that time.

68. Section 10 of the Act is amended by replacing “sous-paragraphe *d*” in the second paragraph in the French text by “paragraphe *d*”.

TAXATION ACT

69. (1) Section 1 of the Taxation Act (chapter I-3), amended by section 44 of chapter 11 of the statutes of 2024, is again amended

(1) by inserting the following paragraph after paragraph *b* of the definition of “dividend rental arrangement”:

“(b.1) a specified hedging transaction in respect of a dividend rental arrangement share of the person;”;

(2) by replacing paragraph *c* of the definition of “dividend rental arrangement” by the following paragraph:

“(c) a synthetic equity arrangement (other than a specified hedging transaction) in respect of a dividend rental arrangement share of the person; or”;

(3) by striking out the definitions of “development bond” and “small business bond”;

(4) by inserting the following definition in alphabetical order:

““specified hedging transaction”, in respect of a dividend rental arrangement share of a person or partnership (in this definition referred to as the “particular

person”), means a transaction, within the meaning of section 1079.9, or series of transactions in respect of which the following conditions are satisfied:

- (a) it is carried out, as the case may be,
 - i. by the particular person if the particular person is a registered securities dealer or a partnership each member of which is such a dealer, or
 - ii. by a registered securities dealer or a partnership each member of which is such a dealer (in this definition referred to in either case as the “connected dealer”), if the connected dealer does not deal at arm’s length with, or is affiliated with, the particular person;
- (b) it has the effect, or would have the effect if the transaction or series of transactions were carried out by the particular person, of eliminating all or substantially all of the particular person’s risk of loss and opportunity for gain or profit in respect of the dividend rental arrangement share, determined without taking into account any other transaction or series of transactions carried out in respect of the dividend rental arrangement share;
- (c) an amount would be deductible in respect of the transaction or series of transactions by the particular person or the connected dealer under paragraph *a* of section 21.33 if that paragraph *a* were read without reference to section 21.33.1.1; and
- (d) if the transaction or series of transactions is carried out by the connected dealer, it can reasonably be considered that the particular person or the connected dealer knew or ought to have known that the effect described in paragraph *b* would result;”.

(2) Paragraphs 1, 2 and 4 of subsection 1 apply in respect of a dividend that is paid or becomes payable after 6 April 2022. However, they do not apply in respect of a dividend that is paid or becomes payable before 1 October 2022 if the specified hedging transaction is carried out before 7 April 2022.

(3) Paragraph 3 of subsection 1 has effect from 22 June 2023.

70. Section 7.18 of the Act is amended by replacing subparagraphs ii and iii of subparagraph *b* of the second paragraph by the following subparagraphs:

“ii. property, other than depreciable property, that is a timber resource property or a right in or an option in respect of such property, or

“iii. property, other than capital property, that is an immovable property situated in Canada, including a right in or an option in respect of such property, whether or not the property is in existence.”

71. (1) Section 21.4.2.1 of the Act is amended

(1) by replacing the definition of “specified provision” by the following definition:

““specified provision” means any of the provisions of Chapter IV.2, section 83.0.3 or 93.4, paragraph *d* of section 225, section 384.4 or 384.5, the first paragraph of section 418.26, any of sections 418.30, 427.4, 736, 736.0.1, 736.0.1.1, 736.0.2 and 736.0.3.1, paragraph *f* of section 772.13, any of sections 1029.8.36.166.49, 1029.8.36.166.50, 1029.8.36.166.60.54, 1029.8.36.166.60.55, 1029.8.36.171.3 and 1029.8.36.171.4 and any other provision of similar effect.”;

(2) by replacing the definition of “attribute trading restriction” by the following definition:

““attribute trading restriction” means any restriction on the use of a tax attribute arising on the application, either alone or in combination with other provisions, of this chapter, section 6.2, Chapter IV.2, sections 21.1 to 21.3.1, 83.0.3, 93.4, 222 to 230.0.0.6, 384.4 and 384.5, the first paragraph of section 418.26, sections 418.30, 427.4, 564.4, 564.4.1 and 727 to 737, paragraph *f* of section 772.13 and sections 1029.8.36.166.49, 1029.8.36.166.50, 1029.8.36.166.60.54, 1029.8.36.166.60.55, 1029.8.36.171.3 and 1029.8.36.171.4;”.

(2) Subsection 1 has effect from 9 August 2022.

72. (1) Section 21.4.2.6 of the Act is replaced by the following section:

“21.4.2.6. If, at a particular time as part of a transaction or event or series of transactions or events, control of a particular corporation is acquired by a person or group of persons and it can reasonably be concluded that one of the main reasons for the transaction or event or any transaction or event in the series of transactions or events is so that a specified provision does not apply to one or more corporations, the attribute trading restrictions are deemed to apply to each of those corporations as if control of each of those corporations were acquired at that time.”

(2) Subsection 1 has effect from 9 August 2022.

73. (1) Section 21.4.33 of the Act is amended by replacing subparagraph *i* of subparagraph *c* of the second paragraph by the following subparagraph:

“*i.* is, or would in the absence of sections 21.4.31 and 21.4.32 be, in a functional currency year of the transferor or the transferee and the transferor and the transferee have, or would in the absence of those sections have, different tax reporting currencies at the transfer time, or”.

(2) Subsection 1 applies in respect of a transfer of property that occurs after 8 August 2022.

74. (1) Section 21.4.35 of the Act is amended by replacing all occurrences of “corporation” by “person”.

(2) Subsection 1 applies in respect of an accrual period that begins after 8 August 2022.

75. (1) Section 21.9.3 of the Act is replaced by the following section:

“21.9.3. Where a share of the capital stock of a corporation is issued or its terms or conditions are modified and it may reasonably be considered, having regard to all circumstances, including the rate of interest on any debt or the dividend provided on any term preferred share, that but for the existence of the debt or the term preferred share, the share would not have been issued or its terms or conditions would not have been modified, and one of the main purposes for its issue or for the modification of its terms or conditions was to avoid a limitation provided by section 740.1 or 845 in respect of a deduction or to avoid or limit the application of section 21.10 or 21.10.1, the share is deemed, from 1 January 1983, to be a term preferred share of the corporation.”

(2) Subsection 1 applies in respect of an amount received after 8 August 2022.

76. (1) Section 21.9.4.1 of the Act is amended

(1) by replacing “section 740.1 or 845” by “any of sections 21.10, 21.10.1, 740.1 and 845”;

(2) by replacing “réputée, à ce moment, être” in the French text by “réputée, à ce moment,”.

(2) Subsection 1 applies in respect of an amount received after 8 August 2022.

77. (1) Section 21.33 of the Act is amended by replacing “under section 21.33.1” in paragraph *a* by “under section 21.33.1 or 21.33.1.1”.

(2) Subsection 1 applies in respect of an amount paid or credited after 6 April 2022.

78. (1) The Act is amended by inserting the following section after section 21.33.1:

“21.33.1.1. A registered securities dealer that carries out a specified hedging transaction in respect of a dividend rental arrangement share of the registered securities dealer or a person that does not deal at arm’s length with, or is affiliated with, the registered securities dealer may deduct, in computing its income from a business or property for a taxation year, an amount (other than any portion of the amount in respect of which a deduction in computing

income may be claimed under section 21.33.1 by the registered securities dealer) equal to the lesser of

(a) the aggregate of all amounts each of which is an amount that the registered securities dealer becomes obligated in the taxation year to pay to another person as a dividend compensation payment in respect of the specified hedging transaction that, if paid, would be deemed under section 21.32 to have been received by another person as a taxable dividend; and

(b) the amount of the dividends that was received under the specified hedging transaction (in this paragraph referred to as the “dividend recipient”) by the registered securities dealer or the person that does not deal at arm’s length with, or is affiliated with, the registered securities dealer and that was identified in the dividend recipient’s fiscal return under this Part for the year as an amount in respect of which no amount was deductible because of section 740.4.1 in computing the dividend recipient’s taxable income.”

(2) Subsection 1 applies in respect of an amount paid or credited after 6 April 2022.

79. (1) Section 21.33.2 of the Act is amended by replacing subparagraph *b* of the second paragraph by the following subparagraph:

“(b) for the purposes of sections 21.33.1 and 21.33.1.1, the corporation is deemed to become obligated, in the year, to pay the agreed proportion in its respect, for each fiscal period of the partnership that ends in the year, of the amount the partnership becomes, in that fiscal period, obligated to pay to another person under the arrangement referred to in paragraph *a* of either of those sections, as applicable.”

(2) Subsection 1 applies in respect of an amount paid or credited after 6 April 2022.

80. (1) Section 64.3 of the Act is replaced by the following section:

“**64.3.** No amount may be deducted for the year by an individual under any of sections 62, 63 and 63.1 unless the individual files with the Minister, together with the individual’s fiscal return for the year under this Part, a prescribed form in which the individual’s employer confirms that the conditions set out in that section were met in the year in respect of the individual.”

(2) Subsection 1 has effect from 22 June 2023.

81. (1) Section 76 of the Act is amended by replacing the third paragraph by the following paragraph:

“No amount may be deducted for the year by an individual under the first paragraph unless the individual files with the Minister, together with the individual’s fiscal return for the year under this Part, a prescribed form in which

the individual's employer confirms that the conditions set out in that paragraph were met in the year in respect of the individual.”

(2) Subsection 1 has effect from 22 June 2023.

82. (1) Section 78 of the Act is amended by replacing the second paragraph by the following paragraph:

“However, no such amounts may be deducted for the year by the individual unless the individual files with the Minister, together with the individual's fiscal return for the year under this Part, a prescribed form in which the individual's employer confirms that the conditions set out in the first paragraph were met in the year in respect of the individual.”

(2) Subsection 1 has effect from 22 June 2023.

83. (1) Section 92 of the Act is amended by replacing “, a small business bond, an indexed debt obligation or a development bond” in the second paragraph by “or an indexed debt obligation”.

(2) Subsection 1 has effect from 22 June 2023.

84. Section 92.1 of the Act is amended by replacing “an interest in” by “a right in”.

85. (1) Section 92.7 of the Act is amended by striking out subparagraphs vi and vii of paragraph *a*.

(2) Subsection 1 has effect from 22 June 2023.

86. (1) Section 93.21 of the Act is amended by replacing “and 93.22” by “, 93.22 and 93.23”.

(2) Subsection 1 has effect from 1 January 2017.

87. (1) The Act is amended by inserting the following section after section 93.22:

“93.23. Where a taxpayer makes a valid election under paragraph *g* of subsection 43 of section 13 of the Income Tax Act (Revised Statutes of Canada, 1985, chapter 1, 5th Supplement) in respect of an amount that is part of the proceeds of disposition of an incorporeal capital property of the taxpayer in respect of a business, the amount is to be included in computing the taxpayer's income from a business for a taxation year and is deemed not to be a taxable capital gain.

Chapter V.2 of Title II of Book I applies in relation to an election made under paragraph *g* of subsection 43 of section 13 of the Income Tax Act. However, for the purpose of applying section 21.4.7 to such an election, the taxpayer is

deemed to have complied with a requirement of section 21.4.6 if the taxpayer complies with it on or before *(insert the date that is six months after the date of assent to this Act)*.”

(2) Subsection 1 has effect from 1 January 2017.

88. (1) Section 96.0.2 of the Act is amended by replacing the portion of subparagraph *d* of the second paragraph before subparagraph *i* by the following:

“(d) any amount that would, but for this paragraph, be included in the cost of a property of the transferee included in Class 14.1 of Schedule B to the Regulation respecting the Taxation Act (chapter I-3, r. 1) (including a deemed acquisition under section 93.15) or included in the proceeds of disposition of a property of the transferor included in that class (including a deemed disposition under section 93.17) in respect of the disposition or termination of the former property by the transferor is deemed to be”.

(2) Subsection 1 applies in respect of a disposition that occurs after 31 December 2016.

89. (1) Section 114 of the Act is amended

(1) by replacing the first paragraph by the following paragraph:

“Section 113 does not apply if the loan was made or the indebtedness arose in the ordinary course of the lender’s or creditor’s business, and bona fide arrangements were made, at the time the loan was made or the indebtedness arose, for repayment of the loan or debt within a reasonable time and, in the case of a loan, if the lending of money was part of the lender’s ordinary business, other than a business for which less than 90% of the aggregate outstanding amount of the loans made to the business, at any time during which the loan is outstanding, is owing by borrowers who deal at arm’s length with the lender.”;

(2) by replacing “réfère le deuxième alinéa” in the portion before subparagraph *a* of the third paragraph in the French text by “le deuxième alinéa fait référence”;

(3) by adding the following paragraph at the end:

“For the purposes of this paragraph and the first paragraph,

(a) a person or partnership that is a member of a particular partnership that is a member of another partnership is deemed to be a member of the other partnership; and

(b) a borrower is considered to deal at arm’s length with a lender only if

i. the borrower and the lender deal with each other at arm’s length,

ii. where either the borrower or the lender is a partnership and the other party is not, each member of the partnership deals at arm's length with the other party, and

iii. where both the borrower and the lender are partnerships, the borrower and each member of the borrower deal at arm's length with the lender and each member of the lender.”

(2) Subsection 1 applies in respect of a loan made after 31 December 2022. In addition, subsection 1, section 113 of the Act and all provisions of the Act that are relevant to the interpretation and application of that section 113 apply in respect of any portion of a particular loan made before 1 January 2023 that remains outstanding on that date—as if that portion were a separate loan that was made on that date in the same manner and on the same terms as the particular loan—provided the particular loan met the requirements of the first paragraph of section 114 of the Act as it applied at the time the particular loan was made.

90. (1) Divisions IV.1 and IV.2 of Chapter II of Title III of Book III of Part I of the Act, comprising sections 119.2 to 119.22, are repealed.

(2) Subsection 1 has effect from 22 June 2023.

91. Section 125.0.1 of the Act is amended by replacing “an interest in” in the portion before paragraph *a* by “a right in”.

92. (1) Section 140.1 of the Act is amended by replacing “, an income debenture, a small business bond or small business development bond” in subparagraph *b* of the second paragraph by “or an income debenture”.

(2) Subsection 1 has effect from 22 June 2023.

93. (1) Section 143 of the Act is amended by striking out “for the year”.

(2) Subsection 1 applies to a taxation year that ends after 31 December 2007.

(3) Despite sections 1010 to 1011 of the Act, the Minister of Revenue shall, under Part I of the Act, make any assessments of a taxpayer's tax, interest and penalties as are necessary for any taxation year that ends before 9 August 2022 to give effect to subsections 1 and 2 of this section and section (*insert the number of the section in this Act that amends section 143R2 of the Regulation respecting the Taxation Act (chapter I-3, r. 1)*), where the taxpayer has made a valid election in accordance with subsection 7 of section 8 of the Act to implement certain provisions of the budget tabled in Parliament on March 28, 2023 (Statutes of Canada, 2023, chapter 26). Sections 93.1.8 and 93.1.12 of the Tax Administration Act (chapter A-6.002) apply to such assessments, with the necessary modifications.

(4) Chapter V.2 of Title II of Book I of Part I of the Act applies in relation to an election made under subsection 7 of section 8 of the Act to implement certain provisions of the budget tabled in Parliament on March 28, 2023. However, for the application of section 21.4.7 of the Taxation Act to such an election, the taxpayer is deemed to have complied with a requirement of section 21.4.6 of the Act if the taxpayer complies with it on or before *(insert the date that is 180 days after the date of assent to this Act)*.

94. (1) Section 147.2 of the Act is replaced by the following section:

“147.2. For the purposes of sections 147 and 147.1, where a partnership has ceased to exist, the following rules apply:

(a) no amount may be deducted by the partnership under section 147 in computing its income for its last fiscal period; and

(b) any person or partnership that was a member of the partnership at the time that is immediately before the end of the partnership’s last fiscal period (in this paragraph referred to as the “particular time”) may deduct, for a taxation year ending after the particular time, that proportion of the amount that would, but for this section, have been deductible under section 147 by the partnership in the fiscal period that would have ended in the year had the partnership continued to exist and had the partnership interest not been redeemed, acquired or cancelled, that the fair market value of the member’s interest in the partnership at the particular time is of the fair market value of all the interests in the partnership at the particular time.”

(2) Subsection 1 has effect from 26 June 2013.

95. (1) Section 156.7.6 of the Act is replaced by the following section:

“156.7.6. A taxpayer may deduct, in computing income from a business for a taxation year, an amount equal to 30% of the aggregate of all amounts each of which is an amount deducted by the taxpayer in computing income for the preceding taxation year under paragraph *a* of section 130 or the second paragraph of section 130.1 in respect of a prescribed depreciable property acquired after 3 December 2018 and before 1 January 2024.”

(2) Subsection 1 has effect from 1 January 2024.

96. (1) Section 167 of the Act is amended by replacing “, an income debenture, a development bond or a small business bond” in the first paragraph by “or an income debenture”.

(2) Subsection 1 has effect from 22 June 2023.

97. (1) Section 167.1 of the Act is amended by replacing “, an income debenture, a small business development bond or a small business bond” in the portion before paragraph *a* by “or an income debenture”.

(2) Subsection 1 has effect from 22 June 2023.

98. Section 248 of the Act is amended by replacing subparagraph *i* of subparagraph *b* of the first paragraph by the following subparagraph:

“i. where the property is a share, bond, debenture, bill, hypothecary claim, mortgage, agreement of sale or other similar property, or a right in such property, the property is in whole or in part redeemed, acquired or cancelled,”.

99. Section 251.1 of the Act is amended, in the definition of “flow-through entity” in the first paragraph,

(1) by replacing “pour le bénéfice” in subparagraph *d* in the French text by “au bénéfice”;

(2) by replacing “pour le bénéfice” in subparagraph *e* in the French text by “au bénéfice” and by replacing “interests in” in that subparagraph by “rights in”.

100. (1) Section 274.0.1 of the Act is amended by adding the following subparagraph at the end of subparagraph *c.1* of the second paragraph:

“iv. a trust a specified beneficiary of which for the year is a qualifying individual (within the meaning of section 274.0.2) for the year in respect of the trust and under which

(1) no person other than such a beneficiary may, during the beneficiary’s lifetime, receive any of the income or capital of the trust or obtain the enjoyment of such income or capital, and

(2) the trustees are required to consider the needs of the beneficiary, including the beneficiary’s comfort, care and maintenance; and”.

(2) Subsection 1 applies to a taxation year that begins after 31 December 2016.

101. (1) The Act is amended by inserting the following section after section 274.0.1:

“274.0.2. For the purposes of subparagraph *iv* of subparagraph *c.1* of the second paragraph of section 274.0.1, a qualifying individual, for a taxation year in respect of a trust, means an individual who

(a) is, in the year,

i. the settlor of the trust,

ii. the child, grandchild, great-grandchild, father, mother, grandfather, grandmother, great-grandfather, great-grandmother, brother, sister, uncle, aunt, nephew or niece of the settlor of the trust or of the spouse or former spouse of the settlor, or

iii. the spouse or former spouse of any person described in subparagraph i or ii;

(b) is resident in Canada during the year; and

(c) is an individual in respect of whom subparagraphs *a* to *c* of the first paragraph of section 752.0.14 apply for the year.”

(2) Subsection 1 applies to a taxation year that begins after 31 December 2016.

102. (1) Section 339 of the Act is amended by replacing “section 965.0.16.1” in paragraph *b* by “section 965.0.16.1 or 965.0.25”.

(2) Subsection 1 has effect from 14 December 2012.

103. (1) Section 359.10 of the Act is amended by replacing the portion before subparagraph *a* of the first paragraph by the following:

“**359.10.** A corporation that agrees to issue or prepares a selling instrument in respect of flow-through shares shall file with the Minister a prescribed form together with the prescribed amount and a copy of the selling instrument or agreement to issue the shares on or before the last day of the month following the earlier of”.

(2) Subsection 1 has effect from 1 January 2025.

104. (1) Section 399.3 of the Act is amended

(1) by replacing “aux fins de la présente partie, être” in the first paragraph in the French text by “pour l’application de la présente partie,”;

(2) by replacing the portion of the second paragraph before subparagraph *a* in the French text by the following:

“Les événements auxquels le premier alinéa fait référence sont les suivants :”;

(3) by replacing “réfère” in the portion of the third paragraph before subparagraph *a* in the French text by “fait référence”;

(4) by replacing subparagraph *c* of the third paragraph by the following subparagraph:

“(c) all Canadian development expenses described in subparagraph ii of paragraph *a* of section 408 and incurred by the taxpayer in respect of the well in a taxation year preceding the year, other than

i. expenses referred to in subparagraph *a* or *b*,

ii. restricted expenses, and

iii. expenses for a well referred to in subparagraph *a* of the second paragraph that are incurred, as the case may be,

(1) after 31 December 2020, including expenses that are deemed by section 359.8 to have been incurred on 31 December 2020, if the expenses are incurred in connection with an obligation in writing entered into by the taxpayer before 22 March 2017, including an obligation towards a government under the terms of a license or permit, or

(2) after 31 December 2018, including expenses that are deemed by section 359.8 to have been incurred on 31 December 2018, in any other case.”

(2) Paragraph 4 of subsection 1 has effect from 22 June 2023.

105. (1) Section 482 of the Act is amended by replacing subparagraph *c* of the second paragraph by the following subparagraph:

“(c) a salary, wages or other remuneration in respect of an office or employment where that expense of the taxpayer is taken into account for the purpose of determining, for a taxation year, the amount that the taxpayer may deduct in computing tax payable under any of Titles III.3.1 to III.5 of Book V or that the taxpayer is deemed to have paid to the Minister on account of tax payable under Chapter III.1 of Title III of Book IX.”

(2) Subsection 1 applies to a taxation year that begins after 31 December 2024.

106. Section 484.11 of the Act is amended by replacing “interest in” in the portion of subparagraph *b* of the first paragraph before subparagraph *i* by “rights in”.

107. (1) Section 485 of the Act is amended by striking out “119.4, 119.17,” in the definition of “commercial debt obligation”.

(2) Subsection 1 has effect from 22 June 2023.

108. (1) Section 576.2 of the Act is repealed.

(2) Subsection 1 has effect from 1 January 2023.

109. (1) Section 577.5 of the Act is replaced by the following section:

“577.5. A taxpayer must include in computing income for a taxation year, in relation to a loan or indebtedness, an amount equal to the amount that is required by subsection 6 of section 90 of the Income Tax Act (Revised Statutes of Canada, 1985, chapter 1, 5th Supplement) to be included, in respect of the loan or indebtedness, in computing the taxpayer’s income for the year for the purposes of that Act.”

(2) Subsection 1 has effect from 1 January 2023.

110. (1) Sections 577.5.1 to 577.7.1 of the Act are repealed.

(2) Subsection 1 has effect from 1 January 2023.

111. (1) Section 577.8 of the Act is replaced by the following section:

“577.8. A corporation may deduct in computing its income for a taxation year, in relation to a loan or indebtedness, an amount equal to the amount that the corporation deducts for the year in relation to the loan or indebtedness under subsection 9 of section 90 of the Income Tax Act (Revised Statutes of Canada, 1985, chapter 1, 5th Supplement).”

(2) Subsection 1 has effect from 1 January 2023.

112. (1) Section 577.10 of the Act is repealed.

(2) Subsection 1 has effect from 1 January 2023.

113. (1) Section 577.11 of the Act is replaced by the following section:

“577.11. A taxpayer may deduct in computing income for a taxation year, in relation to a loan or indebtedness, an amount equal to the amount that the taxpayer deducts for the year in relation to the loan or indebtedness under subsection 14 of section 90 of the Income Tax Act (Revised Statutes of Canada, 1985, chapter 1, 5th Supplement).”

(2) Subsection 1 has effect from 1 January 2023.

114. (1) Section 592.1 of the Act is amended by striking out “, 576.2” in subparagraph *a* of the second paragraph.

(2) Subsection 1 has effect from 1 January 2023.

115. (1) Section 603 of the Act is amended by striking out “, 119.15” in the portion before paragraph *a*.

(2) Subsection 1 has effect from 22 June 2023.

116. (1) Section 623 of the Act is amended by adding the following paragraphs at the end:

“Where the property referred to in the first paragraph is an interest in a partnership (in the fourth paragraph referred to as the “other partnership”), the person’s share of the fair market value of the property immediately after its distribution to the person is deemed to be equal to the amount determined by the formula

$A - B.$

In the formula in the third paragraph,

(a) A is the person's share of the fair market value (determined without reference to the third paragraph) of the property immediately after its distribution; and

(b) B is the portion of the amount by which the person's share of the fair market value (determined without reference to the third paragraph) of the property immediately after its distribution exceeds the person's share of the cost amount to the partnership of the property immediately before its distribution that may reasonably be regarded as being attributable to the aggregate of all amounts each of which is, immediately after the particular time referred to in the first paragraph of section 620,

i. in the case of depreciable property held directly by the other partnership or held indirectly by the other partnership through one or more other partnerships, the amount by which the fair market value (determined without reference to liabilities) of that property exceeds its cost amount,

ii. in the case of a Canadian resource property or a foreign resource property held directly by the other partnership or held indirectly by the other partnership through one or more other partnerships, the fair market value (determined without reference to liabilities) of that property, or

iii. in the case of property other than a capital property, a Canadian resource property or a foreign resource property that is held directly by the other partnership or held indirectly by the other partnership through one or more other partnerships, the amount by which the fair market value (determined without reference to liabilities) of that property exceeds its cost amount."

(2) Subsection 1 applies in respect of a partnership dissolved after 8 August 2022.

117. (1) Section 629 of the Act is amended by adding the following paragraphs at the end:

"Where the property referred to in the first paragraph is an interest in a partnership (in the fourth paragraph referred to as the "other partnership"), the fair market value of the property immediately after the particular time is deemed to be equal to the amount determined by the formula

$A - B$.

In the formula in the third paragraph,

(a) A is the fair market value (determined without reference to the third paragraph) of the property immediately after its distribution to the person referred to in section 626; and

(b) B is the portion of the amount by which the fair market value (determined without reference to the third paragraph) of the property immediately after its distribution to the person referred to in section 626 exceeds the cost amount to the partnership of the property immediately before its distribution that may reasonably be regarded as being attributable to the aggregate of all amounts each of which is, immediately after the particular time,

i. in the case of depreciable property held directly by the other partnership or held indirectly by the other partnership through one or more other partnerships, the amount by which the fair market value (determined without reference to liabilities) of that property exceeds its cost amount,

ii. in the case of a Canadian resource property or a foreign resource property held directly by the other partnership or held indirectly by the other partnership through one or more other partnerships, the fair market value (determined without reference to liabilities) of that property, or

iii. in the case of property other than a capital property, a Canadian resource property or a foreign resource property that is held directly by the other partnership or held indirectly by the other partnership through one or more other partnerships, the amount by which the fair market value (determined without reference to liabilities) of that property exceeds its cost amount.”

(2) Subsection 1 applies in respect of a partnership dissolved after 8 August 2022.

118. (1) Section 646 of the Act is amended by replacing the third paragraph by the following paragraph:

“However, except for the purposes of this section, subparagraph v of subparagraph b of the first paragraph of section 248, subparagraph g of the second paragraph of that section and sections 646.1 and 1000, an arrangement under which a trust can reasonably be considered to act as agent or mandatary for all of the beneficiaries under the trust with respect to all dealings with all of the trust’s property, is deemed not to be a trust, unless the trust is described in any of subparagraphs a to d of the third paragraph of section 647.”

(2) Subsection 1 applies to a taxation year that ends after 30 December 2023.

119. (1) Section 650 of the Act is replaced by the following section:

“650. For the purposes of the second paragraph of section 21.43, subparagraph iv of subparagraph c.1 of the second paragraph of section 274.0.1, the definition of “exempt foreign trust” in the first paragraph of section 593 and the definition of “income interest” in section 683, the income of a trust is computed without reference to the provisions of this Part and, for the purposes of the second paragraph of sections 440 to 441.2, paragraph c of section 454.1, the definition of “pre-1972 spousal trust” in section 652.1 and subparagraph a of the first paragraph of section 653, the income of a trust is equal to its income

computed without reference to the provisions of this Part minus any dividend included in that income that is not included by reason of sections 501 to 503 in computing the income of the trust for the purposes of the other provisions of this Part, or that is referred to in section 1106 or 1116.”

(2) Subsection 1 applies to a taxation year that begins after 31 December 2016.

120. (1) Section 725.0.1 of the Act is amended

(1) by replacing paragraph *b* of the definition of “band” by the following paragraph:

“(b) an entity that is either a Cree First Nation within the meaning of subsection 2 of section 2 of the Cree Nation of Eeyou Istchee Governance Agreement Act (Statutes of Canada, 2018, chapter 4, section 1) or a band within the meaning of subsection 1 of section 2 of the Naskapi and the Cree-Naskapi Commission Act (Statutes of Canada, 1984, chapter 18);”;

(2) by striking out paragraph *c* of the definition of “band”;

(3) by replacing paragraph *b* of the definition of “council of the band” by the following paragraph:

“(b) in the case of an entity that is a Cree First Nation referred to in paragraph *b* of the definition of “band”, the council of a Cree First Nation within the meaning of section 5.9 of the agreement defined in subsection 1 of section 2 of the Cree Nation of Eeyou Istchee Governance Agreement Act and, in the case of an entity that is a band referred to in that paragraph *b*, a council within the meaning of subsection 1 of section 2 of the Naskapi and the Cree-Naskapi Commission Act; or”;

(4) by replacing paragraph *b* of the definition of “reserve” by the following paragraph:

“(b) Category IA land within the meaning of subsection 2 of section 2 of the Cree Nation of Eeyou Istchee Governance Agreement Act or Category IA-N land within the meaning of subsection 1 of section 2 of the Naskapi and the Cree-Naskapi Commission Act;”.

(2) Paragraphs 1, 3 and 4 of subsection 1 have effect from 29 March 2018.

121. Section 726.39 of the Act is amended by adding the following paragraph at the end:

“For the purposes of subparagraph *b* of the first paragraph, a corporation is associated with another corporation in a taxation year only if it is associated in the year with that other corporation for the purposes of Title II of Book V.”

122. (1) Section 737.18.17.5.1 of the Act is amended by replacing the portion of subparagraph iv of subparagraph *a* of the sixth paragraph before subparagraph 1 by the following:

“iv. in the case of a deemed large investment project within the meaning of section 737.18.17.1.1, where the first taxation year to which the computation method election in relation to the project applies is not subsequent to the taxation year that includes the last day of the tax-free period in respect of the first large investment project and where the particular year is not that first year and is referred to in subparagraph 1 or 2, whichever of the following amounts is applicable:”.

(2) Subsection 1 has effect from 21 March 2023.

123. (1) Section 737.18.43 of the Act is amended

(1) by inserting the following definitions in alphabetical order:

““adjusted gross revenue” of a corporation for a taxation year means its gross revenue for the year, determined without reference to any interest income and any dividend income;

““adjusted income” of a corporation for a taxation year means the amount that would be determined in respect of the corporation for the year under section 28 if no reference were made to its paragraph *b* and to the following amounts:

(a) any interest income;

(b) any dividend income; and

(c) any share of the corporation in the income or loss of a partnership;”;

(2) by replacing the portion of the definition of “gross revenue from the commercialization of an asset” before paragraph *a* by the following:

““gross revenue from commercialization” in respect of an asset of a corporation for a taxation year means the portion of the corporation’s gross revenue for the year that is reasonably attributable to an establishment of the corporation situated in Québec and that consists of the following income, except for any excluded income in respect of the asset for the year:”;

(3) by inserting the following definition in alphabetical order:

““excluded income”, in respect of an asset for a taxation year, means income referred to in any of paragraphs *a* to *d* of the definition of “gross revenue from commercialization” that was taken into account in determining an amount deductible under section 737.18.44 in respect of another asset for the year;”.

(2) Paragraph 1 of subsection 1 applies to a taxation year that begins after 31 December 2023.

(3) Paragraphs 2 and 3 of subsection 1 apply to a taxation year that begins after 31 December 2020.

124. (1) Section 737.18.44 of the Act is amended

(1) by replacing subparagraphs *a* to *c* of the second paragraph by the following subparagraphs:

“(a) A is the corporation’s adjusted income for the particular year;

“(b) B is the gross revenue from commercialization in respect of the corporation’s particular asset for the particular year;

“(c) C is the corporation’s adjusted gross revenue for the particular year;”;

(2) by replacing subparagraph *e* of the second paragraph by the following subparagraph:

“(e) E is

i. where the particular year begins before 1 January 2030, the quotient obtained by dividing by seven, subject to the fourth paragraph, the total of all fractions each of which is determined, in respect of a year (in subparagraphs *e* and *f* of the third paragraph referred to as a “year concerned”) that is either the particular year or any of the six preceding taxation years, by the formula

K/L , or

ii. where the particular year begins after 31 December 2029, the quotient determined by the formula

M/N ; and”;

(3) by replacing the formula in subparagraph *f* of the second paragraph by the following formula:

$“(O - P)/O”$;

(4) by replacing subparagraph *b* of the third paragraph by the following subparagraph:

“(b) H is the corporation’s adjusted income for the particular year;”;

(5) by replacing subparagraphs *d* to *h* of the third paragraph by the following subparagraphs:

“(d) J is the corporation’s adjusted gross revenue for the particular year;

“(e) K is

i. where the year concerned begins before 1 January 2024, an amount equal to the lesser of the amount determined under subparagraph i of subparagraph *f* for the year concerned and the total of

(1) the aggregate of all amounts each of which is the amount of wages paid by the corporation and described in subparagraph *a* of the first paragraph of section 1029.7 for the year concerned,

(2) the aggregate of all amounts each of which is the portion of a consideration paid by the corporation and referred to in any of subparagraphs *b*, *b.1*, *d*, *d.1*, *f*, *f.1*, *h* and *h.1* of the first paragraph of section 1029.7 for the year concerned,

(3) 50% of the aggregate of all amounts, other than an amount described in subparagraph 4, each of which is the portion of a consideration paid by the corporation and referred to in any of subparagraphs *c*, *e*, *g* and *i* of the first paragraph of section 1029.7 for the year concerned,

(4) 80% of the aggregate of all amounts each of which is the total or partial amount of an expenditure paid by the corporation and described in subparagraph *b* of the first paragraph of section 1029.8.6 for the year concerned, and

(5) the product obtained by multiplying, by the proportion that the business carried on in Québec by the corporation in the year concerned is of the aggregate of its business carried on in Canada or in Québec and elsewhere in the year concerned, as determined under subsection 2 of section 771, half of the aggregate of the amounts that, for the year concerned, are described in neither subparagraph 3 nor subparagraph 4, but would be described in either of those subparagraphs if all the scientific research and experimental development work undertaken on behalf of the corporation outside Québec had been undertaken in Québec, or

ii. where the year concerned begins after 31 December 2023, an amount equal to the lesser of the amount determined under subparagraph ii of subparagraph *f* for the year concerned and the total of

(1) the aggregate of all amounts each of which is the amount of wages described in subparagraph *a* of the first paragraph of section 1029.7 for the year concerned and paid by the corporation in respect of scientific research and experimental development work that contributed directly to the creation, development or improvement of the particular asset,

(2) the aggregate of all amounts each of which is the portion of a consideration referred to in any of subparagraphs *b*, *b.1*, *d*, *d.1*, *f*, *f.1*, *h* and *h.1* of the first paragraph of section 1029.7 for the year concerned and paid by the corporation in respect of scientific research and experimental development work that contributed directly to the creation, development or improvement of the particular asset,

(3) 50% of the aggregate of all amounts, other than an amount described in subparagraph 4, each of which is the portion of a consideration referred to in any of subparagraphs *c*, *e*, *g* and *i* of the first paragraph of section 1029.7 for the year concerned and paid by the corporation in respect of scientific research and experimental development work that contributed directly to the creation, development or improvement of the particular asset,

(4) 80% of the aggregate of all amounts each of which is the total or partial amount of an expenditure described in subparagraph *b* of the first paragraph of section 1029.8.6 for the year concerned and paid by the corporation in respect of scientific research and experimental development work that contributed directly to the creation, development or improvement of the particular asset, and

(5) the product obtained by multiplying, by the proportion that the business carried on in Québec by the corporation in the year concerned is of the aggregate of its business carried on in Canada or in Québec and elsewhere in the year concerned, as determined under subsection 2 of section 771, half of the aggregate of the amounts that, for the year concerned, are described in neither subparagraph 3 nor subparagraph 4, but would be described in either of those subparagraphs if all the scientific research and experimental development work undertaken on behalf of the corporation outside Québec had been undertaken in Québec;

“(f) *L* is the greater of \$1 and

i. where the year concerned begins before 1 January 2024, the total of

(1) the aggregate of the amounts that would be described in subparagraph 1 of subparagraph *i* of subparagraph *e* for the year concerned if all the wages paid by the corporation in respect of scientific research and experimental development work had been paid to employees of an establishment situated in Québec,

(2) the aggregate of the amounts that would be described in subparagraph 2 of subparagraph *i* of subparagraph *e* for the year concerned if all the scientific research and experimental development work undertaken on behalf of the corporation had been undertaken in Québec, and

(3) 50% of the aggregate of the amounts that, for the year concerned, would be described in subparagraph 3 or 4 of subparagraph *i* of subparagraph *e* if all the scientific research and experimental development work undertaken on behalf of the corporation had been undertaken in Québec, or

ii. where the year concerned begins after 31 December 2023, the total of

(1) the aggregate of the amounts that would be described in subparagraph 1 of subparagraph *ii* of subparagraph *e* for the year concerned if all the wages paid by the corporation in respect of scientific research and experimental development work had been paid to employees of an establishment situated in Québec,

(2) the aggregate of the amounts that would be described in subparagraph 2 of subparagraph ii of subparagraph *e* for the year concerned if all the scientific research and experimental development work undertaken on behalf of the corporation had been undertaken in Québec, and

(3) 50% of the aggregate of the amounts that, for the year concerned, would be described in subparagraph 3 or 4 of subparagraph ii of subparagraph *e* if all the scientific research and experimental development work undertaken on behalf of the corporation had been undertaken in Québec;

“(g) *M* is an amount equal to the lesser of the amount determined under subparagraph *h* in relation to the particular year and the total of

i. the aggregate of all amounts each of which is the amount of wages described in subparagraph *a* of the first paragraph of section 1029.7 for a taxation year that begins after 31 December 2023 and ends on or before the last day of the particular year (each of those years being in this subparagraph and subparagraph *h* referred to as a “year concerned”) and paid by the corporation in respect of scientific research and experimental development work that contributed directly to the creation, development or improvement of the particular asset,

ii. the aggregate of all amounts each of which is the portion of a consideration referred to in any of subparagraphs *b*, *b.1*, *d*, *d.1*, *f*, *f.1*, *h* and *h.1* of the first paragraph of section 1029.7 for a year concerned and paid by the corporation in respect of scientific research and experimental development work that contributed directly to the creation, development or improvement of the particular asset,

iii. 50% of the aggregate of the amounts, other than an amount described in subparagraph iv, each of which is the portion of a consideration referred to in any of subparagraphs *c*, *e*, *g* and *i* of the first paragraph of section 1029.7 for a year concerned and paid by the corporation in respect of scientific research and experimental development work that contributed directly to the creation, development or improvement of the particular asset,

iv. 80% of the aggregate of all amounts each of which is the total or partial amount of an expenditure described in subparagraph *b* of the first paragraph of section 1029.8.6 for a year concerned and paid by the corporation in respect of scientific research and experimental development work that contributed directly to the creation, development or improvement of the particular asset, and

v. the aggregate of all amounts each of which is the product obtained by multiplying, by the proportion that the business carried on in Québec by the corporation for a year concerned is of the aggregate of its business carried on in Canada or in Québec and elsewhere in that year concerned, as determined under subsection 2 of section 771, half of the aggregate of the amounts that, for the year concerned, are described in neither subparagraph iii nor subparagraph iv, but would be described in either of those subparagraphs if all

the scientific research and experimental development work undertaken on behalf of the corporation outside Québec had been undertaken in Québec;

“(h) N is the greater of \$1 and the total of

i. the aggregate of the amounts that would be described in subparagraph i of subparagraph *g* for a year concerned if all the wages paid by the corporation in respect of scientific research and experimental development work had been paid to employees of an establishment situated in Québec,

ii. the aggregate of the amounts that would be described in subparagraph ii of subparagraph *g* for a year concerned if all the scientific research and experimental development work undertaken on behalf of the corporation had been undertaken in Québec, and

iii. 50% of the aggregate of the amounts that would be described in subparagraph iii or iv of subparagraph *g* for a year concerned if all the scientific research and experimental development work undertaken on behalf of the corporation had been undertaken in Québec.”;

(6) by adding the following subparagraphs at the end of the third paragraph:

“(i) O is the basic rate determined in respect of the corporation for the particular year under section 771.0.2.3.1; and

“(j) P is 2%.”;

(7) by replacing the fourth paragraph by the following paragraph:

“Where a corporation has incurred an amount described in any of subparagraphs 1 to 3 of subparagraph i or ii of subparagraph *f* of the third paragraph for the first time in the particular year or any of the five preceding taxation years, subparagraph i of subparagraph *e* of the second paragraph is to be read as if “seven” were replaced by the number of taxation years included in the period that begins at the beginning of the taxation year in which the corporation first incurred such an amount and ends at the end of the particular year.”;

(8) by replacing “subparagraphs *e* and *f*” in the portion of the fifth paragraph before subparagraph *a* by “subparagraphs *e* to *h*”.

(2) Subsection 1 applies to a taxation year that begins after 31 December 2023.

125. (1) Section 752.0.8 of the Act is amended by replacing subparagraph iii.1 of paragraph *a* by the following subparagraph:

“iii.1. a payment (other than a payment described in subparagraph i) payable on a periodic basis under a money purchase provision, within the meaning assigned by section 965.0.1, of a registered pension plan or under a specified pension plan,”.

(2) Subsection 1 applies from the taxation year 2019.

126. (1) Section 771.2.1.2.1 of the Act is amended by replacing “for the predecessor corporation’s taxation year” in the sixth paragraph by “for a taxation year of the predecessor corporation”.

(2) Subsection 1 applies to a taxation year of a corporation that ends after 27 June 2023.

127. (1) The Act is amended by inserting the following Titles after section 776.1.18:

“TITLE III.3.1

“TAX CREDIT FOR MULTIMEDIA TITLES (GENERAL)

“776.1.18.1. In this Title,

“government assistance” has the meaning assigned by section 1029.6.0.0.1 for the purposes of Division II.6.0.1.2 of Chapter III.1 of Title III of Book IX;

“non-government assistance” has the meaning assigned by section 1029.6.0.0.1 for the purposes of Division II.6.0.1.2 of Chapter III.1 of Title III of Book IX;

“qualified labour expenditure” of a corporation for a taxation year has the meaning assigned by section 1029.8.36.0.3.8;

“unused portion of the tax credit” of a corporation for a taxation year means the amount by which the maximum amount that the corporation could deduct under section 776.1.18.2 for the year if it had sufficient tax payable under this Part for the year exceeds the tax payable by the corporation for that year under this Part, determined before the application of that section and the second paragraph of section 776.1.18.3.

“776.1.18.2. A corporation that, for the purposes of Division II.6.0.1.2 of Chapter III.1 of Title III of Book IX, is a qualified corporation for a taxation year may deduct from its tax payable under this Part for the year, determined before the application of this section and the second paragraph of section 776.1.18.3, an amount equal to the product obtained by multiplying the percentage specified in the second paragraph by the aggregate of all amounts each of which is a qualified labour expenditure of the corporation for the year in respect of which the corporation is deemed to have paid an amount to the Minister for that year under that Division II.6.0.1.2.

The percentage to which the first paragraph refers is

(a) 2.5%, where the taxation year begins after 31 December 2024 but before 1 January 2026;

(b) 5%, where the taxation year begins after 31 December 2025 but before 1 January 2027;

(c) 7.5%, where the taxation year begins after 31 December 2026 but before 1 January 2028; or

(d) 10%, where the taxation year begins after 31 December 2027.

“776.1.18.3. A corporation may deduct from its tax payable under this Part, determined before the application of this Title, for a taxation year in respect of which the corporation is deemed to have paid an amount to the Minister under Division II.6.0.1.2 of Chapter III.1 of Title III of Book IX, its unused portions of the tax credit for the 20 taxation years that precede that taxation year.

Similarly, a corporation may deduct from its tax payable under this Part, determined before the application of this paragraph, for a taxation year that begins after 31 December 2024 and in respect of which the corporation is deemed to have paid an amount to the Minister under Division II.6.0.1.2 of Chapter III.1 of Title III of Book IX, its unused portions of the tax credit for the three taxation years that follow that taxation year.

“776.1.18.4. No amount is deductible under section 776.1.18.3 in respect of an unused portion of the tax credit for a taxation year until the unused portions of the tax credit for the preceding taxation years that are deductible have been deducted.

In addition, an unused portion of the tax credit may be deducted for a taxation year under section 776.1.18.3 only to the extent that it exceeds the aggregate of the amounts deducted in its respect for the preceding taxation years under that section.

“776.1.18.5. For the purpose of computing the amount that a corporation may deduct under section 776.1.18.3 for a particular taxation year in respect of its unused portions of the tax credit for the taxation years preceding the particular year, the total of those unused portions of the tax credit that would be deductible for that particular year if no reference were made to this section and section 776.1.18.6 is to be reduced by the amount determined under the second paragraph where, in the particular year or a preceding taxation year, in respect of the salaries or wages or a portion of a consideration included in computing a qualified labour expenditure of the corporation for any preceding taxation year,

(a) an amount relating to the salaries or wages or to the portion of the consideration, other than the amount of government assistance or non-government assistance or the amount of a benefit or advantage that reduced, in accordance with paragraph *a* of section 1029.8.36.0.3.10.1 or section 1029.8.36.0.3.13, those salaries or wages or that portion of the consideration, is

i. directly or indirectly refunded or otherwise paid to the corporation or allocated to a payment to be made by the corporation, or

ii. obtained by a person or a partnership; or

(b) government assistance or non-government assistance is received by a person or a partnership and the assistance would have reduced, in accordance with paragraph *b* of section 1029.8.36.0.3.10.1, the amount of that portion of the consideration, if the person or partnership had received it, had been entitled to receive it or could reasonably have expected to receive it on or before the corporation's filing-due date for that preceding taxation year.

The amount to which the first paragraph refers is the amount by which the aggregate of all amounts each of which is the unused portion of the tax credit of the corporation for a preceding taxation year that would be deductible for the particular taxation year if no reference were made to this section and section 776.1.18.6 exceeds the total of

(a) the aggregate of all amounts each of which is the unused portion of the tax credit of the corporation for a preceding year that would be deductible for the particular year if, for the purposes of the definition of "qualified labour expenditure" in section 776.1.18.1,

i. any amount referred to in the first paragraph, in relation to salaries or wages or a portion of a consideration included in computing a qualified labour expenditure of the corporation for a preceding taxation year, that is received or obtained at or before the end of the particular year had been received or obtained in that preceding year, and

ii. any amount referred to in the first paragraph of section 776.1.18.6, in relation to salaries or wages or a portion of a consideration included in computing a qualified labour expenditure of the corporation for a preceding taxation year, that is paid or deemed to be paid under section 776.1.18.7 at or before the end of the particular year had been paid or deemed to be paid in that preceding year; and

(b) subject to the third paragraph, the aggregate of all amounts each of which is the amount by which the tax that the corporation is required to pay to the Minister under section 1129.27.18.2 for a preceding year exceeds the value that tax would have had if the circumstances described in the first paragraph of that section for that preceding year had occurred in the particular year.

An excess amount included in the aggregate described in subparagraph *b* of the second paragraph that relates to salaries or wages or a portion of a consideration included in a qualified labour expenditure of the corporation for a preceding taxation year ceases to be taken into account for the purposes of this section where the particular year is subsequent to the twentieth taxation year that follows that preceding year.

“776.1.18.6. For the purpose of computing the amount that a corporation may deduct under section 776.1.18.3 for a particular taxation year in respect of its unused portions of the tax credit for the taxation years preceding the particular year, the total of those unused portions of the tax credit that would be deductible for that particular year if no reference were made to this section and section 776.1.18.5 is to be increased by the amount determined under the second paragraph where, in the particular year or a preceding taxation year, in respect of the salaries or wages or a portion of a consideration included in computing a qualified labour expenditure of the corporation for any preceding taxation year,

(a) the corporation pays, pursuant to a legal obligation, a particular amount that may reasonably be considered as the repayment of an amount it received that reduced, in accordance with paragraph *a* of section 1029.8.36.0.3.10.1, the amount of those salaries or wages or that portion of the consideration, or as the repayment of an amount referred to in subparagraph i of subparagraph *a* of the first paragraph of section 776.1.18.5;

(b) a person or a partnership pays, pursuant to a legal obligation, a particular amount that may reasonably be considered as the repayment of an amount it received that reduced, in accordance with paragraph *b* of section 1029.8.36.0.3.10.1, the amount of that portion of the consideration, or as the repayment of an amount referred to in subparagraph *b* of the first paragraph of section 776.1.18.5; or

(c) a person or a partnership pays, pursuant to a legal obligation, a particular amount that may reasonably be considered as the repayment of a benefit or advantage it obtained that reduced, in accordance with section 1029.8.36.0.3.13, the amount of those salaries or wages or of that portion of the consideration, or as the repayment of an amount referred to in subparagraph ii of subparagraph *a* of the first paragraph of section 776.1.18.5.

The amount to which the first paragraph refers is the amount by which the aggregate of all amounts each of which is the unused portion of the tax credit of the corporation for a preceding taxation year that would be deductible for the particular taxation year if no reference were made to this section and section 776.1.18.5 is exceeded by the total of

(a) the aggregate of all amounts each of which is the unused portion of the tax credit of the corporation for a preceding year that would be deductible for the particular year if, for the purposes of the definition of “qualified labour expenditure” in section 776.1.18.1,

i. any amount referred to in the first paragraph, in relation to salaries or wages or a portion of a consideration included in computing a qualified labour expenditure of the corporation for a preceding taxation year, that is paid at or before the end of the particular year had been paid in that preceding year, and

ii. any amount referred to in the first paragraph of section 776.1.18.5, in relation to salaries or wages or a portion of a consideration included in computing a qualified labour expenditure of the corporation for a preceding

taxation year, that is received or obtained at or before the end of the particular year had been received or obtained in that preceding year; and

(b) subject to the third paragraph, the aggregate of all amounts each of which is the amount by which the tax that the corporation is required to pay to the Minister under section 1129.27.18.2 for a preceding year exceeds the value that tax would have had if the circumstances described in the first paragraph of that section for that preceding year had occurred in the particular year.

An excess amount included in the aggregate described in subparagraph *b* of the second paragraph that relates to salaries or wages or a portion of a consideration included in a qualified labour expenditure of the corporation for a preceding taxation year ceases to be taken into account for the purposes of this section where the particular year is subsequent to the twentieth taxation year that follows that preceding year.

“776.1.18.7. For the purposes of section 776.1.18.6, an amount that a corporation received or obtained is deemed to be repaid by the corporation or by a person or a partnership, as the case may be, in a particular taxation year, pursuant to a legal obligation, where that amount

(a) reduced, because of paragraph *a* or *b* of section 1029.8.36.0.3.10.1 or section 1029.8.36.0.3.13, salaries or wages or a portion of a consideration included in a qualified labour expenditure of the corporation for a preceding taxation year;

(b) in the case of an amount described in paragraph *a* or *b* of section 1029.8.36.0.3.10.1, was not received by the corporation or by the person or partnership, as the case may be;

(c) in the case of an amount described in section 1029.8.36.0.3.13, was not obtained by the person or partnership; and

(d) ceased, in the particular year, to be an amount that the corporation or the person or partnership may reasonably expect to receive or obtain.

“776.1.18.8. For the purposes of this Part, an amount deducted by a corporation under this Title in computing its tax payable under this Part for a preceding taxation year in respect of the expenditures made in a taxation year preceding a particular taxation year is to be considered as received by the corporation in the particular taxation year, to the extent that the amount is not considered, under this section, as received by the corporation in a taxation year preceding the particular taxation year.

“TITLE III.3.2

“TAX CREDIT FOR CORPORATIONS SPECIALIZED IN THE PRODUCTION OF MULTIMEDIA TITLES

“776.1.18.9. In this Title,

“government assistance” has the meaning assigned by section 1029.6.0.0.1 for the purposes of Division II.6.0.1.3 of Chapter III.1 of Title III of Book IX;

“non-government assistance” has the meaning assigned by section 1029.6.0.0.1 for the purposes of Division II.6.0.1.3 of Chapter III.1 of Title III of Book IX;

“qualified labour expenditure” of a corporation for a taxation year has the meaning assigned by section 1029.8.36.0.3.18;

“unused portion of the tax credit” of a corporation for a taxation year means the amount by which the maximum amount that the corporation could deduct under section 776.1.18.10 for the year if it had sufficient tax payable under this Part for the year exceeds the tax payable by the corporation for that year under this Part, determined before the application of that section and the second paragraph of section 776.1.18.11.

“776.1.18.10. A corporation that, for the purposes of Division II.6.0.1.3 of Chapter III.1 of Title III of Book IX, is a qualified corporation for a taxation year may deduct from its tax payable under this Part for the year, determined before the application of this section and the second paragraph of section 776.1.18.11, an amount equal to the product obtained by multiplying the percentage specified in the second paragraph by its qualified labour expenditure for the year in respect of which the corporation is deemed to have paid an amount to the Minister for that year under that Division II.6.0.1.3.

The percentage to which the first paragraph refers is

(a) 2.5%, where the taxation year begins after 31 December 2024 but before 1 January 2026;

(b) 5%, where the taxation year begins after 31 December 2025 but before 1 January 2027;

(c) 7.5%, where the taxation year begins after 31 December 2026 but before 1 January 2028; or

(d) 10%, where the taxation year begins after 31 December 2027.

“776.1.18.11. A corporation may deduct from its tax payable under this Part, determined before the application of this Title, for a taxation year in respect of which the corporation is deemed to have paid an amount to the Minister under Division II.6.0.1.3 of Chapter III.1 of Title III of Book IX, its unused portions of the tax credit for the 20 taxation years that precede that taxation year.

Similarly, a corporation may deduct from its tax payable under this Part, determined before the application of this paragraph, for a taxation year that begins after 31 December 2024 and in respect of which the corporation is

deemed to have paid an amount to the Minister under Division II.6.0.1.3 of Chapter III.1 of Title III of Book IX, its unused portions of the tax credit for the three taxation years that follow that taxation year.

“776.1.18.12. No amount is deductible under section 776.1.18.11 in respect of an unused portion of the tax credit for a taxation year until the unused portions of the tax credit for the preceding taxation years that are deductible have been deducted.

In addition, an unused portion of the tax credit may be deducted for a taxation year under section 776.1.18.11 only to the extent that it exceeds the aggregate of the amounts deducted in its respect for the preceding taxation years under that section.

“776.1.18.13. For the purpose of computing the amount that a corporation may deduct under section 776.1.18.11 for a particular taxation year in respect of its unused portions of the tax credit for the taxation years preceding the particular year, the total of those unused portions of the tax credit that would be deductible for that particular year if no reference were made to this section and section 776.1.18.14 is to be reduced by the amount determined under the second paragraph where, in the particular year or a preceding taxation year, in respect of the salaries or wages or a portion of a consideration included in computing the corporation’s qualified labour expenditure for any preceding taxation year,

(a) an amount relating to the salaries or wages or to the portion of the consideration, other than the amount of government assistance or non-government assistance or the amount of a benefit or advantage that reduced, in accordance with paragraph *a* of section 1029.8.36.0.3.21 or section 1029.8.36.0.3.24, those salaries or wages or that portion of the consideration, is

i. directly or indirectly refunded or otherwise paid to the corporation or allocated to a payment to be made by the corporation, or

ii. obtained by a person or a partnership; or

(b) government assistance or non-government assistance is received by a person or a partnership and the assistance would have reduced, in accordance with paragraph *b* of section 1029.8.36.0.3.21, the amount of that portion of the consideration, if the person or partnership had received it, had been entitled to receive it or could reasonably have expected to receive it on or before the corporation’s filing-due date for that preceding taxation year.

The amount to which the first paragraph refers is the amount by which the aggregate of all amounts each of which is the unused portion of the tax credit of the corporation for a preceding taxation year that would be deductible for the particular taxation year if no reference were made to this section and section 776.1.18.14 exceeds the total of

(a) the aggregate of all amounts each of which is the unused portion of the tax credit of the corporation for a preceding year that would be deductible for the particular year if, for the purposes of the definition of “qualified labour expenditure” in section 776.1.18.9,

i. any amount referred to in the first paragraph, in relation to salaries or wages or a portion of a consideration included in computing its qualified labour expenditure for a preceding taxation year, that is received or obtained at or before the end of the particular year had been received or obtained in that preceding year, and

ii. any amount referred to in the first paragraph of section 776.1.18.14, in relation to salaries or wages or a portion of a consideration included in computing its qualified labour expenditure for a preceding taxation year, that is paid or deemed to be paid under section 776.1.18.15 at or before the end of the particular year had been paid or deemed to be paid in that preceding year; and

(b) subject to the third paragraph, the aggregate of all amounts each of which is the amount by which the tax that the corporation is required to pay to the Minister under section 1129.27.18.6 for a preceding year exceeds the value that tax would have had if the circumstances described in the first paragraph of that section for that preceding year had occurred in the particular year.

An excess amount included in the aggregate described in subparagraph *b* of the second paragraph that relates to salaries or wages or a portion of a consideration included in the corporation’s qualified labour expenditure for a preceding taxation year ceases to be taken into account for the purposes of this section where the particular year is subsequent to the twentieth taxation year that follows that preceding year.

“776.1.18.14. For the purpose of computing the amount that a corporation may deduct under section 776.1.18.11 for a particular taxation year in respect of its unused portions of the tax credit for the taxation years preceding the particular year, the total of those unused portions of the tax credit that would be deductible for that particular year if no reference were made to this section and section 776.1.18.13 is to be increased by the amount determined under the second paragraph where, in the particular year or a preceding taxation year, in respect of the salaries or wages or a portion of a consideration included in computing the corporation’s qualified labour expenditure for any preceding taxation year,

(a) the corporation pays, pursuant to a legal obligation, a particular amount that may reasonably be considered as the repayment of an amount it received that reduced, in accordance with paragraph *a* of section 1029.8.36.0.3.21, the amount of those salaries or wages or that portion of the consideration, or as the repayment of an amount referred to in subparagraph *i* of subparagraph *a* of the first paragraph of section 776.1.18.13;

(b) a person or a partnership pays, pursuant to a legal obligation, a particular amount that may reasonably be considered as the repayment of an amount it received that reduced, in accordance with paragraph *b* of section 1029.8.36.0.3.21, the amount of that portion of the consideration, or as the repayment of an amount referred to in subparagraph *b* of the first paragraph of section 776.1.18.13; or

(c) a person or a partnership pays, pursuant to a legal obligation, a particular amount that may reasonably be considered as the repayment of a benefit or advantage it obtained that reduced, in accordance with section 1029.8.36.0.3.24, the amount of those salaries or wages or of that portion of the consideration, or as the repayment of an amount referred to in subparagraph ii of subparagraph *a* of the first paragraph of section 776.1.18.13.

The amount to which the first paragraph refers is the amount by which the aggregate of all amounts each of which is the unused portion of the tax credit of the corporation for a preceding taxation year that would be deductible for the particular taxation year if no reference were made to this section and section 776.1.18.13 is exceeded by the total of

(a) the aggregate of all amounts each of which is the unused portion of the tax credit of the corporation for a preceding year that would be deductible for the particular year if, for the purposes of the definition of “qualified labour expenditure” in section 776.1.18.9,

i. any amount referred to in the first paragraph, in relation to salaries or wages or a portion of a consideration included in computing its qualified labour expenditure for a preceding taxation year, that is paid at or before the end of the particular year had been paid in that preceding year, and

ii. any amount referred to in the first paragraph of section 776.1.18.13, in relation to salaries or wages or a portion of a consideration included in computing its qualified labour expenditure for a preceding taxation year, that is received or obtained at or before the end of the particular year had been received or obtained in that preceding year; and

(b) subject to the third paragraph, the aggregate of all amounts each of which is the amount by which the tax that the corporation is required to pay to the Minister under section 1129.27.18.6 for a preceding year exceeds the value that tax would have had if the circumstances described in the first paragraph of that section for that preceding year had occurred in the particular year.

An excess amount included in the aggregate described in subparagraph *b* of the second paragraph that relates to salaries or wages or a portion of a consideration included in the corporation’s qualified labour expenditure for a preceding taxation year ceases to be taken into account for the purposes of this section where the particular year is subsequent to the twentieth taxation year that follows that preceding year.

“776.1.18.15. For the purposes of section 776.1.18.14, an amount that a corporation received or obtained is deemed to be repaid by the corporation or by a person or a partnership, as the case may be, in a particular taxation year, pursuant to a legal obligation, where that amount

(a) reduced, because of paragraph *a* or *b* of section 1029.8.36.0.3.21 or section 1029.8.36.0.3.24, salaries or wages or a portion of a consideration included in the qualified labour expenditure of the corporation for a preceding taxation year;

(b) in the case of an amount described in paragraph *a* or *b* of section 1029.8.36.0.3.21, was not received by the corporation or by the person or partnership, as the case may be;

(c) in the case of an amount described in section 1029.8.36.0.3.24, was not obtained by the person or partnership; and

(d) ceased, in the particular year, to be an amount that the corporation or the person or partnership may reasonably expect to receive or obtain.

“776.1.18.16. For the purposes of this Part, an amount deducted by a corporation under this Title in computing its tax payable under this Part for a preceding taxation year in respect of an expenditure made in a taxation year preceding a particular taxation year is to be considered as received by the corporation in the particular taxation year, to the extent that the amount is not considered, under this section, as received by the corporation in a taxation year preceding the particular taxation year.”

(2) Subsection 1 applies to a taxation year that begins after 31 December 2024.

128. (1) Section 776.1.20 of the Act is replaced by the following section:

“776.1.20. A corporation that, for the purposes of Division II.6.0.1.9 of Chapter III.1 of Title III of Book IX, is a qualified corporation for a taxation year, may deduct from its tax payable under this Part for the year, determined before the application of this section and the second paragraph of section 776.1.21, an amount equal to the product obtained by multiplying the percentage specified in the second paragraph by the aggregate of all amounts each of which is qualified wages, for the purposes of that Division II.6.0.1.9, that it incurred in the year and in respect of which it is deemed to have paid an amount to the Minister for the year under that Division II.6.0.1.9.

The percentage to which the first paragraph refers is

(a) 6%, where the taxation year begins before 1 January 2025;

(b) 7%, where the taxation year begins after 31 December 2024 but before 1 January 2026;

(c) 8%, where the taxation year begins after 31 December 2025 but before 1 January 2027;

(d) 9%, where the taxation year begins after 31 December 2026 but before 1 January 2028; or

(e) 10%, where the taxation year begins after 31 December 2027.”

(2) Subsection 1 applies to a taxation year that begins after 31 December 2024.

129. Section 785.0.1 of the Act is amended by replacing the definition of “specified immovable” by the following definition:

““specified immovable” means either an immovable property situated in Québec that is used principally for the purpose of earning or producing gross revenue that is rent, or any right in or option in respect of such property, whether or not the property exists at that time.”

130. (1) Section 786.1 of the Act is amended by replacing “119.2R2” in paragraph *a* by “1R1”.

(2) Subsection 1 has effect from 22 June 2023.

131. (1) Section 851.22.1 of the Act is amended, in the definition of “specified debt obligation” in the first paragraph,

(1) by replacing the portion before paragraph *a* by the following:

““specified debt obligation” of a taxpayer means the right held by the taxpayer in a loan, bond, debenture, note, hypothecary claim, mortgage, agreement of sale or any other similar indebtedness, or in a debt obligation, where the taxpayer purchased the right, other than a right in”;

(2) by striking out “, a small business bond, a development bond” in paragraph *a*.

(2) Paragraph 2 of subsection 1 has effect from 22 June 2023.

132. (1) Section 851.24 of the Act is amended by replacing “851.27.1” by “851.27”.

(2) Subsection 1 has effect from 22 June 2023.

133. (1) Section 851.27.1 of the Act is repealed.

(2) Subsection 1 has effect from 22 June 2023.

134. (1) Section 869.2 of the Act is amended by replacing subparagraph *f* of the first paragraph by the following subparagraph:

“(f) unless the condition of subparagraph ii of subparagraph *e* is met, the rights under the trust of each key employee of a participating employer are not more advantageous than the rights of a class of beneficiaries described in subparagraph i of subparagraph *e*.”

(2) Subsection 1 has effect from 27 February 2018.

135. (1) Section 935.2 of the Act is amended by replacing subparagraph *b* of the first paragraph by the following subparagraph:

“(b) where an individual agrees to acquire a housing unit held in co-ownership, the individual is deemed, except for the purposes of paragraphs *d* and *g* of the definition of “regular eligible amount” in the first paragraph of section 935.1 and of paragraphs *e* and *f* of the definition of “supplemental eligible amount” in that paragraph, to have acquired it on the day the individual is entitled to take possession of it.”

(2) Subsection 1 has effect from 9 August 2022.

136. (1) Section 961.17 of the Act is amended by replacing subparagraph *c* of the second paragraph by the following subparagraph:

“(c) an amount transferred at the direction of the annuitant directly to a registered pension plan of which, at any time before the transfer, the annuitant was a member, within the meaning of section 965.0.1, or to a specified pension plan and allocated to the annuitant under a money purchase provision of the plan, within the meaning of section 965.0.1; or”.

(2) Subsection 1 has effect from 9 August 2022.

137. (1) Section 965.0.27 of the Act is amended by replacing “and Chapter III of Title VI.0.1” by “, Chapter III of Title VI.0.1 and section 1034.1”.

(2) Subsection 1 has effect from 9 August 2022.

138. (1) Section 965.0.34 of the Act is amended by replacing subparagraph 2 of subparagraph ii of subparagraph *b* of the second paragraph by the following subparagraph:

“(2) an amount distributed from the account to, or on behalf of, a qualifying survivor in relation to the member as a consequence of the death of the member.”

(2) Subsection 1 has effect from 9 August 2022.

139. Section 979.19 of the Act is amended by replacing “interest in” in the second paragraph by “right in”.

140. (1) Section 985.0.1 of the Act is replaced by the following section:

“985.0.1. For the purposes of subparagraphs *f* and *g* of the first paragraph of section 985, income of a corporation, commission or association from activities carried on outside the geographical boundaries of the territory of a municipality or of a municipal or public body does not include income from an activity carried on

(*a*) under an agreement that meets the following conditions:

i. the agreement is in writing between

(1) the corporation, commission or association, and

(2) a person who is the State, His Majesty in right of Canada, His Majesty in right of a province, other than Québec, a municipality, a municipal or public body or a corporation to which any of subparagraphs *a* to *g* of the first paragraph of section 985 applies and that is controlled by the State, by His Majesty in right of Canada, by His Majesty in right of a province, other than Québec, by a municipality in Canada or by a municipal or public body in Canada,

ii. the agreement is applicable within the geographical boundaries of

(1) if the person is His Majesty in right of Canada or a corporation controlled by His Majesty in right of Canada, Canada,

(2) if the person is the State or His Majesty in right of a province, other than Québec, or a corporation controlled by the State or by His Majesty in right of a province, other than Québec, Québec or that other province, as the case may be,

(3) if the person is a municipality in Canada or a corporation controlled by a municipality in Canada, the municipality, and

(4) if the person is a municipal or public body or a corporation controlled by such a body, the area described in section 985.0.3 in respect of the person,

iii. the income earned from the activities carried on under the agreement is paid from the party described in subparagraph 2 of subparagraph *i* to the party described in subparagraph 1 of subparagraph *i*, and

iv. the activities under the agreement are activities normally carried out by a local government; or

(*b*) by the corporation, commission or association, as the case may be, in a province as a producer of electrical energy or natural gas or as a distributor of electrical energy, heat, natural gas or water, where the activity is regulated under the laws of the province.”

(2) Subsection 1 has effect from 9 August 2022.

141. (1) Section 1000 of the Act is amended

(1) by striking out paragraph *c.2* of subsection 1;

(2) by replacing paragraphs *c.3* and *c.4* of subsection 1 by the following paragraphs:

“(c.3) on the last day of which the individual is a trust, other than an excluded trust for the year, that is resident in Québec and that is either established otherwise than by law or by judgment or an express trust for common law purposes;

“(c.4) on the last day of which the individual is a trust, other than an excluded trust for the year, that is not resident in Québec, that is either established otherwise than by law or by judgment or an express trust for common law purposes and that carries on a business in Québec at any time in the year;”;

(3) by replacing the portion of subsection 2.2 before paragraph *b* by the following:

“(2.2) For the purposes of paragraphs *c.3* and *c.4* of subsection 1, “excluded trust” for a taxation year means

(a) a succession that is a graduated rate estate;”;

(4) by striking out paragraphs *b* to *d* and *g* of subsection 2.2;

(5) by inserting “, within the meaning of subparagraph *k* of the first paragraph of section 835” after “trust” in paragraph *e* of subsection 2.2;

(6) by replacing paragraph *h* of subsection 2.2 by the following paragraph:

“(h) a trust governed by

i. a tax-free savings account,

ii. a first home savings account,

iii. a registered retirement income fund,

iv. a deferred profit sharing plan,

v. a registered pension plan,

vi. a pooled registered pension plan,

vii. a profit sharing plan,

viii. a registered education savings plan,

- ix. a registered disability savings plan,
- x. a registered retirement savings plan, or
- xi. a registered supplementary unemployment benefit plan;”;

(7) by adding the following paragraphs at the end of subsection 2.2:

“(i) a trust that had been in existence for less than three months at the end of the year;

“(j) a trust that holds assets with a total fair market value that does not exceed \$50,000 throughout the year, if the only assets held by the trust throughout the year are one or more of the following:

- i. money,
 - ii. a debt obligation described in paragraph *a* of the definition of “fully exempt interest” in subsection 3 of section 212 of the Income Tax Act (Revised Statutes of Canada, 1985, chapter 1, 5th Supplement),
 - iii. a share, debt obligation or right listed on a designated stock exchange,
 - iv. a share of the capital stock of a mutual fund corporation,
 - v. a unit of a mutual fund trust,
 - vi. an interest in a segregated fund trust, within the meaning of subparagraph *k* of the first paragraph of section 835, and
 - vii. an interest as a beneficiary under a trust, all the units of which are listed on a designated stock exchange;
- “(k) a trust that is required under the relevant rules of professional conduct or the laws of Canada or a province to hold funds for the purposes of any activity that is regulated under those rules or laws, provided the trust is not maintained as a separate trust for a particular client or clients;

“(l) a trust that is a registered charity;

“(m) a trust that is a club, society or association described in section 996;

“(n) a trust, all the units of which are listed on a designated stock exchange;

“(o) a master trust, within the meaning of the regulations made under paragraph *c.4* of section 998;

“(p) a qualified disability trust, within the meaning of the first paragraph of section 768.2;

“(q) an employee life and health trust;

“(r) a trust described in paragraph g of section 491; or

“(s) a cemetery care trust or a trust governed by an eligible funeral arrangement.”;

(8) by adding the following subsections at the end:

“(4) For the purposes of this section, a trust includes an arrangement under which a trust can reasonably be considered to act as agent or mandatary for all the beneficiaries under the trust with respect to all dealings with all of the trust’s property.

“(5) For greater certainty, this section does not require the disclosure of information that is protected by professional secrecy between a lawyer and a client.”

(2) Subsection 1 applies to a taxation year that ends after 30 December 2023.

142. (1) The Act is amended by inserting the following section after section 1008:

“**1008.1.** The notice of assessment in respect of the fiscal return filed by an individual for a taxation year is presumed to be sent to the individual and received by the individual on the day that the notice is made available, by way of a technological means, to the individual, if

(a) the individual’s fiscal return was sent to the Minister by way of a technological means; and

(b) the individual has authorized that notices or other communications may be sent by way of such means and has not before that date revoked that authorization in the manner determined by the Minister.”

(2) Subsection 1 applies from 1 January 2025.

143. (1) Section 1011 of the Act is amended by replacing “a.2” in the portion before paragraph a by “a.3”.

(2) Subsection 1 applies to a taxation year that begins after 31 December 2022.

144. (1) Section 1012.1 of the Act is amended by inserting the following paragraphs after paragraph d.1.0.0.1:

“(d.1.0.0.1.1) section 776.1.18.3 in respect of the unused portion of the tax credit, within the meaning of section 776.1.18.1, for a subsequent taxation year;

“(d.1.0.0.1.2) section 776.1.18.11 in respect of the unused portion of the tax credit, within the meaning of section 776.1.18.9, for a subsequent taxation year;”.

(2) Subsection 1 applies to a taxation year that begins after 31 December 2024.

145. (1) The Act is amended by inserting the following sections after section 1012.1.1:

“1012.1.1.1. Where section 1012 does not apply to a corporation, in relation to a particular taxation year, in respect of a particular amount referred to in paragraph *d.1.0.0.1.1* of section 1012.1 relating to the unused portion of the tax credit, within the meaning of section 776.1.18.1, of the corporation for a subsequent taxation year but would apply to the corporation if it were read without reference to “, on or before the taxpayer’s filing-due date for the subsequent taxation year in respect of that amount,”, section 1012 is, in relation to the particular taxation year and in respect of the particular amount, to be read as follows:

“1012. If a corporation has filed for a particular taxation year the fiscal return required by section 1000 and, in a subsequent taxation year, a particular amount referred to in paragraph *d.1.0.0.1.1* of section 1012.1, in respect of the unused portion of the tax credit, within the meaning of section 776.1.18.1, of the corporation for the subsequent taxation year is claimed as a deduction in computing the corporation’s tax payable for the particular taxation year by filing with the Minister, on or before the corporation’s filing-due date for the taxation year that includes the day on or before which it is required to file with the Minister the prescribed form containing prescribed information and any document issued by Investissement Québec for the purpose of determining the amount that the corporation is deemed to have paid to the Minister, in respect of the subsequent taxation year, under Division II.6.0.1.2 of Chapter III.1 of Title III, a prescribed form amending the fiscal return for the particular taxation year, the Minister shall, despite sections 1010 to 1011, for any relevant taxation year, other than a taxation year preceding the particular taxation year, redetermine the corporation’s tax to take into account the particular amount so claimed as a deduction.”

“1012.1.1.2. Where section 1012 does not apply to a corporation, in relation to a particular taxation year, in respect of a particular amount referred to in paragraph *d.1.0.0.1.2* of section 1012.1 relating to the unused portion of the tax credit, within the meaning of section 776.1.18.9, of the corporation for a subsequent taxation year but would apply to the corporation if it were read without reference to “, on or before the taxpayer’s filing-due date for the subsequent taxation year in respect of that amount,”, section 1012 is, in relation to the particular taxation year and in respect of the particular amount, to be read as follows:

“1012. If a corporation has filed for a particular taxation year the fiscal return required by section 1000 and, in a subsequent taxation year, a particular amount referred to in paragraph *d.1.0.0.1.2* of section 1012.1, in respect of the

unused portion of the tax credit, within the meaning of section 776.1.18.9, of the corporation for the subsequent taxation year is claimed as a deduction in computing the corporation's tax payable for the particular taxation year by filing with the Minister, on or before the corporation's filing-due date for the taxation year that includes the day on or before which it is required to file with the Minister the prescribed form containing prescribed information and any document issued by Investissement Québec for the purpose of determining the amount that the corporation is deemed to have paid to the Minister, in respect of the subsequent taxation year, under Division II.6.0.1.3 of Chapter III.1 of Title III, a prescribed form amending the fiscal return for the particular taxation year, the Minister shall, despite sections 1010 to 1011, for any relevant taxation year, other than a taxation year preceding the particular taxation year, redetermine the corporation's tax to take into account the particular amount so claimed as a deduction.””

(2) Subsection 1 applies to a taxation year that begins after 31 December 2024.

146. (1) Section 1012.4 of the Act is replaced by the following section:

“1012.4. Where a corporation has filed for a particular taxation year the fiscal return required by section 1000, where the corporation is deemed to have paid an amount to the Minister under any of Divisions II.6.0.1.2, II.6.0.1.3 and II.6.0.1.9 of Chapter III.1 of Title III for the particular taxation year, where a document to be issued by Investissement Québec for the purpose of determining the amount that the corporation is so deemed to have paid to the Minister has been issued after the corporation's filing-due date in respect of the particular taxation year and where a particular amount referred to in section 776.1.18.2, 776.1.18.10 or 776.1.20, as the case may be, is claimed as a deduction in computing tax payable, by or on behalf of the corporation, for the particular taxation year by filing with the Minister, on or before the corporation's filing-due date for the taxation year that includes the day on or before which it was required to file with the Minister the prescribed form containing prescribed information and any document issued by Investissement Québec for the purpose of determining the amount that the corporation is deemed to have paid to the Minister for the particular taxation year, under that Division II.6.0.1.2, II.6.0.1.3 or II.6.0.1.9, a prescribed form amending the fiscal return for the particular taxation year, the Minister shall, despite sections 1010 to 1011, redetermine the corporation's tax for the particular taxation year to take into account the particular amount so claimed as a deduction.”

(2) Subsection 1 applies to a taxation year that begins after 31 December 2024.

147. (1) Section 1014 of the Act is amended by replacing “a.2” in the second paragraph by “a.3”.

(2) Subsection 1 applies to a taxation year that begins after 31 December 2022.

148. (1) Section 1029.6.0.0.1 of the Act is amended

(1) by replacing the portion of subparagraph *h* of the second paragraph before subparagraph *i* by the following:

“(h) in the case of each of Divisions II.6.0.1.2, II.6.0.1.3, II.6.0.1.9 and II.6.14.2, government assistance or non-government assistance does not include”;

(2) by inserting the following subparagraph after subparagraph *i* of subparagraph *h* of the second paragraph:

“i.1. where Division II.6.0.1.2, II.6.0.1.3 or II.6.0.1.9 is concerned, an amount deducted for that year under Title III.3.1, III.3.2 or III.4 of Book V, as the case may be, or”;

(3) by inserting the following subparagraph after subparagraph *i.4* of the second paragraph:

“(i.5) in the case of Division II.6.14.2.3, government assistance or non-government assistance does not include

i. an amount deemed to have been paid to the Minister for a taxation year under that division, or

ii. any amount deducted or deductible under subsection 5 or 6 of section 127 or section 127.49 of the Income Tax Act;”;

(4) by replacing the fourth paragraph by the following paragraph:

“Government assistance includes, for the purposes of Divisions II.6.0.9.2 and II.6.0.9.3, the value of the compliance credits issued to a corporation under the Clean Fuel Regulations (SOR/2022-140) made under the Canadian Environmental Protection Act, 1999 (Statutes of Canada, 1999, chapter 33), where

(a) the compliance credits are issued to the corporation in relation to its eligible production of pyrolysis oil or its eligible production of biofuel, as the case may be, within the meaning assigned to those expressions by Divisions II.6.0.9.2 and II.6.0.9.3, for a particular month included in a taxation year that begins after 31 December 2027; and

(b) a value is attributed to the credits so issued.”

(2) Paragraphs 1 and 3 of subsection 1 have effect from 1 January 2024.

(3) Paragraph 2 of subsection 1 has effect from 27 March 2015. However, where section 1029.6.0.0.1 of the Act applies before 1 January 2025, subparagraph *i.1* of subparagraph *h* of its second paragraph is to be read as follows:

“i.1. where Division II.6.0.1.9 is concerned, an amount deducted for that year under Title III.4 of Book V, or”.

(4) Paragraph 4 of subsection 1 has effect from 1 April 2023.

149. (1) Section 1029.6.0.1 of the Act is amended by replacing subparagraph *a* of the first paragraph by the following subparagraph:

“(a) where, in respect of a particular expenditure or particular costs, an amount is deducted in computing a taxpayer’s tax payable for a taxation year, is deemed under any of Divisions II to II.6.2, II.6.5, II.6.5.7 to II.6.5.9 and II.6.14.2 to II.6.15 to have been paid to the Minister by the taxpayer, or is deemed under section 34.1.9 of the Act respecting the Régie de l’assurance maladie du Québec (chapter R-5) to have been an overpayment to the Minister by the taxpayer, no other amount may be deemed to have been paid to the Minister by the taxpayer for any taxation year under any of those divisions, or be deemed to have been an overpayment to the Minister by the taxpayer under that section 34.1.9, in respect of all or part of a cost, an expenditure or costs included in the particular expenditure or the particular costs, except for, in the case of an amount deducted in computing a taxpayer’s tax payable for a taxation year under Title III.3.1, III.3.2 or III.4 of Book V, an amount deemed to have been paid by the taxpayer for the year under Division II.6.0.1.2, II.6.0.1.3 or II.6.0.1.9, as the case may be;”.

(2) Subsection 1 applies to a taxation year that begins after 31 December 2024.

150. (1) Section 1029.8.34 of the Act is amended by replacing “50%” by “65%” in the following provisions:

(1) the portion of subparagraph *i* of paragraph *b* of the definition of “qualified expenditure for services rendered outside the Montréal area” in the first paragraph before subparagraph 1;

(2) the portion of subparagraph *i* of paragraph *b* of the definition of “qualified computer-aided special effects and animation expenditure” in the first paragraph before subparagraph 1;

(3) the portion of subparagraph *i* of paragraph *b* of the definition of “qualified labour expenditure” in the first paragraph before subparagraph 1.

(2) Subsection 1 applies in respect of a property for which an application for an advance ruling or, in the absence of such an application, an application for a certificate is filed with the Société de développement des entreprises culturelles after 12 March 2024.

151. Section 1029.8.35 of the Act is amended by replacing “in paragraph *a.3*” in the portion before subparagraph *a* of the first paragraph by “in paragraph *a.3* or *a.5*”.

152. (1) Section 1029.8.36.0.0.4 of the Act is amended

(1) by replacing paragraph *b* of the definition of “labour cost attributable to computer-aided special effects and animation” in the first paragraph by the following paragraph:

“(b) in any other case, an amount equal to the amount by which the aggregate of all amounts each of which is either the portion (in this paragraph referred to as the “particular portion”) of an amount described in paragraph *a* or *b* of the definition of “production costs” that is included in the corporation’s production costs for the year in respect of the property, that is directly attributable to an amount paid for activities connected with computer-aided special effects and animation and carried on as part of the production of the property and that is specified, by budgetary item, on a document that the Société de développement des entreprises culturelles encloses with the favourable advance ruling given to the corporation in relation to the property or an amount described in paragraph *c.1* of that definition (in this paragraph referred to as the “particular amount”) that is included in the corporation’s production costs for the year in respect of the property exceeds the aggregate of all amounts each of which is the lesser of the particular portion or particular amount, as the case may be, and the aggregate of

i. the amount of any government assistance and non-government assistance attributable to the particular portion or particular amount that the corporation has received, is entitled to receive or may reasonably expect to receive on or before the corporation’s filing-due date for that year,

ii. the amount of any benefit or advantage attributable to the particular portion or particular amount that a person or partnership has obtained, is entitled to obtain or may reasonably expect to obtain on or before the corporation’s filing-due date for that year, whether in the form of a reimbursement, compensation or guarantee, in the form of proceeds of disposition of a property which exceed the fair market value of the property, or in any other form or manner, and

iii. in the case of a particular amount, the amount of any government assistance and non-government assistance that another person or a partnership with which the corporation is not dealing at arm’s length has received, is entitled to receive or may reasonably expect to receive, on or before the corporation’s filing-due date for that year, and that is attributable to services rendered in Québec as part of the production of the property by the other person or the partnership under the contract;”;

(2) by replacing paragraph *c* of the definition of “production costs” in the first paragraph by the following paragraph:

“(c) the portion of the cost of a contract and the other costs related to the contract that are incurred by the corporation in the year and, where the year is the taxation year in which the corporation files an application for an advance

ruling, that are incurred by the corporation in a year preceding that year, that are directly attributable to the production of the property, to the extent that that portion and the other costs relate to services rendered in Québec to the corporation in relation to the stages of production of the property that are referred to in paragraph *a*, except the portion of the cost of a contract and the other costs related to the contract that are referred to in paragraph *c.1*”;

(3) by inserting the following paragraph after paragraph *c* of the definition of “production costs” in the first paragraph:

“(c.1) 65% of the portion of the cost of a contract and the other costs related to the contract that are incurred by the corporation in the year and, where the year is the taxation year in which the corporation files an application for an advance ruling, that are incurred by the corporation in a year preceding that year, that are directly attributable to activities connected with computer-aided special effects and animation and carried on as part of the production of the property and that are specified, by budgetary item, on a document that the Société de développement des entreprises culturelles encloses with the favourable advance ruling given to the corporation in relation to the property, to the extent that that portion and the other costs relate to services rendered in Québec to the corporation in relation to the stages of production of the property that are referred to in paragraph *a*”;

(4) by replacing “500%” in paragraph *c* of the definition of “eligible production costs” in the first paragraph by “400%”;

(5) by replacing “in paragraph *c*” in subparagraph iii of subparagraph *c* of the third paragraph by “in paragraph *c* or *c.1*”;

(6) by replacing “paragraphs *a* to *c*” in subparagraph *d* of the third paragraph by “paragraphs *a* to *c.1*”;

(7) by replacing subparagraph *i* of the third paragraph by the following subparagraph:

“(i) the production costs to a corporation for a taxation year in respect of a property must not include an amount that is not included in the production cost of the property or that relates to advertising, marketing, promotion or market research, or an amount related in any way to another property or costs related to the financing of the property; and”;

(8) by replacing “paragraph *c*” in subparagraph *c* of the fourth paragraph by “paragraph *c.1*”;

(9) by replacing “paragraph *b* of the definition of “production costs” in the first paragraph” in subparagraphs *a* and *b* of the fifth paragraph by “subparagraph *c* of the third paragraph”;

(10) by replacing subparagraph *c* of the fifth paragraph by the following subparagraph:

“(c) the amount of any government assistance and non-government assistance that another person or a partnership with which the corporation is not dealing at arm’s length has received, is entitled to receive or may reasonably expect to receive, on or before the corporation’s filing-due date for the year, and that is attributable to services rendered in Québec as part of the production of the property by the other person or the partnership under a contract referred to in paragraph *c* or *c.1* of the definition of “production costs” in the first paragraph and relating to the corporation’s production costs for a taxation year preceding the year in respect of the property, to the extent that that amount has not, pursuant to subparagraph iii of subparagraph *c* of the third paragraph, reduced the amount of those costs for that preceding year.”;

(11) by replacing the eleventh paragraph by the following paragraph:

“For the purpose of determining, for a taxation year, the qualified labour cost attributable to computer-aided special effects and animation and the qualified computer-aided special effects and animation expenditure of a corporation in respect of a property for which an application for an approval certificate is filed with the Société de développement des entreprises culturelles on or before 4 June 2014 or, if the Société de développement des entreprises culturelles considers that the work on the property was sufficiently advanced on that date, on or before 31 August 2014, the definitions of “qualified labour cost attributable to computer-aided special effects and animation” and “qualified computer-aided special effects and animation expenditure” in the first paragraph are to be read, in respect of the property, as if “625%” were replaced by “500%”.”;

(12) by adding the following paragraph at the end:

“For the purpose of determining, for a taxation year, the eligible production costs to a corporation in respect of a property for which an application for an approval certificate is filed with the Société de développement des entreprises culturelles after 4 June 2014 or, if the Société de développement des entreprises culturelles considers that the work on the property was sufficiently advanced on that date, after 31 August 2014, and on or before 12 March 2024 or, if the Société de développement des entreprises culturelles considers that the work on the property was sufficiently advanced on that date, on or before 31 May 2024, paragraph *c* of the definition of “eligible production costs” in the first paragraph is to be read, in respect of the property, as if “400%” were replaced by “500%”.”

(2) Paragraphs 1 to 6 and 8 to 10 of subsection 1, except where paragraph 2 strikes out “the costs related to the financing of the property” in paragraph *c* of the definition of “production costs” in the first paragraph of section 1029.8.36.0.0.4 of the Act, apply to a property for which an application for an approval certificate is filed with the Société de développement des

entreprises culturelles after 12 March 2024 or, if the Société de développement des entreprises culturelles considers that the work on the property was sufficiently advanced on that date, after 31 May 2024.

153. Section 1029.8.36.0.0.5 of the Act is amended by replacing subparagraph 2 of subparagraph ii of subparagraph *a.1* of the first paragraph by the following subparagraph:

“(2) 25% of its eligible production costs for the year in respect of the property, if an application for an approval certificate is filed with the Société de développement des entreprises culturelles in respect of the property after 12 March 2024 or, if the Société de développement des entreprises culturelles considers that the work on the property was sufficiently advanced on that date, after 31 May 2024, or 20% of its eligible production costs for the year in respect of the property, in other cases; and”.

154. (1) Section 1029.8.36.0.3.8 of the Act is amended by adding the following paragraphs at the end:

“In determining, for the purposes of this division, a corporation’s qualified labour expenditure for a taxation year in respect of a property that is a multimedia title, the amount (in the fourth paragraph referred to as the “particular amount”) of a salary or wages referred to in paragraph *a* or *b* of the definition of “qualified labour expenditure” in the first paragraph, attributable to the property and incurred and paid in respect of an eligible employee, is to be reduced by the amount determined by the formula

$$A \times (B/C).$$

In the formula in the third paragraph,

(*a*) *A* is the product obtained by multiplying the amount in dollars mentioned in section 752.0.0.1 that, with reference to section 750.2, is applicable for the calendar year in which the corporation’s taxation year begins by the proportion that the number of days in the period of that taxation year in which the employee carries out eligible production work in respect of a property that is a multimedia title is of 365;

(*b*) *B* is the particular amount; and

(*c*) *C* is the aggregate of all amounts each of which is an amount of salary or wages attributable to a property that is a multimedia title and incurred and paid in respect of the employee for eligible production work relating to the property carried out in the year.”

(2) Subsection 1 applies to a taxation year that begins after 31 December 2024.

155. (1) Section 1029.8.36.0.3.9 of the Act is amended

(1) by replacing the third paragraph by the following paragraph:

“The percentage to which the first paragraph refers in relation to the property for a taxation year is, as the case may be,

(a) where it is certified that the property is to be commercialized and is available in a French version, and that it is not a vocational training title,

- i. 37.5%, if the taxation year begins before 1 January 2025,
- ii. 35%, if the taxation year begins after 31 December 2024 but before 1 January 2026,
- iii. 32.5%, if the taxation year begins after 31 December 2025 but before 1 January 2027,
- iv. 30%, if the taxation year begins after 31 December 2026 but before 1 January 2028, or
- v. 27.5%, if the taxation year begins after 31 December 2027;

(b) where it is certified that the property is to be commercialized and is not available in a French version, and that it is not a vocational training title,

- i. 30%, if the taxation year begins before 1 January 2025,
- ii. 27.5%, if the taxation year begins after 31 December 2024 but before 1 January 2026,
- iii. 25%, if the taxation year begins after 31 December 2025 but before 1 January 2027,
- iv. 22.5%, if the taxation year begins after 31 December 2026 but before 1 January 2028, or
- v. 20%, if the taxation year begins after 31 December 2027; or

(c) in any other case,

- i. 26.25%, if the taxation year begins before 1 January 2025,
- ii. 23.75%, if the taxation year begins after 31 December 2024 but before 1 January 2026,
- iii. 21.25%, if the taxation year begins after 31 December 2025 but before 1 January 2027,

iv. 18.75%, if the taxation year begins after 31 December 2026 but before 1 January 2028, or

v. 16.25%, if the taxation year begins after 31 December 2027.”;

(2) by striking out the fifth, sixth, seventh and eighth paragraphs.

(2) Subsection 1 applies from 1 January 2025, except where paragraph 2 of that subsection strikes out the sixth, seventh and eighth paragraphs of section 1029.8.36.0.3.9 of the Act, in which case it applies to a taxation year that begins after 31 December 2024.

156. (1) Section 1029.8.36.0.3.18 of the Act is amended by adding the following paragraph at the end:

“In determining, for the purposes of this division, a corporation’s qualified labour expenditure for a taxation year, the amount of a salary or wages referred to in paragraph *a* or *b* of the definition of “qualified labour expenditure” in the first paragraph and incurred and paid in respect of an eligible employee is to be reduced by the product obtained by multiplying the amount in dollars mentioned in section 752.0.0.1 that, with reference to section 750.2, is applicable for the calendar year in which the corporation’s taxation year begins by the proportion that the number of days in the period of that taxation year in which the employee carries out eligible production work is of 365.”

(2) Subsection 1 applies to a taxation year that begins after 31 December 2024.

157. (1) Section 1029.8.36.0.3.19 of the Act is amended

(1) by replacing subparagraphs *a* and *b* of the third paragraph by the following subparagraphs:

“(a) where the qualification certificate issued to the corporation for the year in respect of its activities certifies that at least 75% of the eligible multimedia titles produced by the corporation in the year are both to be commercialized and available in a French version and are not vocational training titles, or that at least 75% of its gross revenue for the year is derived from such eligible multimedia titles,

i. 37.5%, if the taxation year begins before 1 January 2025,

ii. 35%, if the taxation year begins after 31 December 2024 but before 1 January 2026,

iii. 32.5%, if the taxation year begins after 31 December 2025 but before 1 January 2027,

iv. 30%, if the taxation year begins after 31 December 2026 but before 1 January 2028, or

v. 27.5%, if the taxation year begins after 31 December 2027;

“(b) where subparagraph *a* does not apply and the qualification certificate issued to the corporation for the year in respect of its activities certifies that at least 75% of the eligible multimedia titles produced by the corporation in the year are to be commercialized and are not vocational training titles, or that at least 75% of its gross revenue for the year is derived from such eligible multimedia titles,

i. 30%, if the taxation year begins before 1 January 2025,

ii. 27.5%, if the taxation year begins after 31 December 2024 but before 1 January 2026,

iii. 25%, if the taxation year begins after 31 December 2025 but before 1 January 2027,

iv. 22.5%, if the taxation year begins after 31 December 2026 but before 1 January 2028, or

v. 20%, if the taxation year begins after 31 December 2027; or”;

(2) by adding the following subparagraph at the end of the third paragraph:

“(c) in any other case,

i. 26.25%, if the taxation year begins before 1 January 2025,

ii. 23.75%, if the taxation year begins after 31 December 2024 but before 1 January 2026,

iii. 21.25%, if the taxation year begins after 31 December 2025 but before 1 January 2027,

iv. 18.75%, if the taxation year begins after 31 December 2026 but before 1 January 2028, or

v. 16.25%, if the taxation year begins after 31 December 2027.”;

(3) by striking out the fifth, sixth, seventh and eighth paragraphs.

(2) Subsection 1 applies from 1 January 2025, except where paragraph 3 of that subsection strikes out the sixth, seventh and eighth paragraphs of section 1029.8.36.0.3.19 of the Act, in which case it applies to a taxation year that begins after 31 December 2024.

158. (1) Section 1029.8.36.0.3.79 of the Act is amended, in the first paragraph,

(1) by replacing the portion of the definition of “qualified wages” before subparagraph *i* of paragraph *b* by the following:

““qualified wages” incurred by a qualified corporation in a taxation year in respect of an eligible employee for all or part of the taxation year means the amount by which the amount of the wages incurred in the year by the qualified corporation in respect of the employee while the employee qualifies as an eligible employee of the qualified corporation, to the extent that that amount is paid and is in respect of duties the employee performs for the employer in carrying out work other than work in respect of which the ultimate beneficiary is a government entity, exceeds the aggregate of

(a) the excluded wages determined in respect of the eligible employee for the taxation year; and

(b) the aggregate of”;

(2) by inserting the following definition in alphabetical order:

““excluded wages”, determined in respect of an eligible employee of a qualified corporation for a taxation year, means the proportion of the amount in dollars mentioned in section 752.0.0.1 which, with reference to section 750.2, is applicable for the calendar year in which the taxation year begins that the number of days in the taxation year during which the employee qualifies as an eligible employee of the qualified corporation is of 365;”.

(2) Subsection 1 applies to a taxation year that begins after 31 December 2024.

159. (1) Section 1029.8.36.0.3.80 of the Act is amended

(1) by replacing the first paragraph by the following paragraph:

“A qualified corporation that holds, for a taxation year, a valid qualification certificate issued by Investissement Québec for the purposes of this division and that encloses with the fiscal return it is required to file for the year under section 1000 a copy of the certificate as well as the documents described in the third paragraph is deemed, subject to the second paragraph, to have paid to the Minister on the corporation’s balance-due day for that year, on account of its tax payable for that year under this Part, an amount equal to the product obtained by multiplying the percentage specified in the fourth paragraph by the aggregate of all amounts each of which is the qualified wages incurred by the corporation in the year in respect of an eligible employee for all or part of that year.”;

(2) by adding the following paragraph at the end:

“The percentage to which the first paragraph refers is

(a) 24%, where the taxation year begins before 1 January 2025;

(b) 23%, where the taxation year begins after 31 December 2024 but before 1 January 2026;

(c) 22%, where the taxation year begins after 31 December 2025 but before 1 January 2027;

(d) 21%, where the taxation year begins after 31 December 2026 but before 1 January 2028; or

(e) 20%, where the taxation year begins after 31 December 2027.”

(2) Subsection 1 applies to a taxation year that begins after 31 December 2024.

160. (1) Section 1029.8.36.59.49 of the Act is amended by replacing the definitions of “qualified expenditure” and “specified expenditure” by the following definitions:

““qualified expenditure” of a qualified corporation for a taxation year or of a qualified partnership for a fiscal period, in relation to an eligible employee, means, subject to section 1029.8.36.59.51, the aggregate of all amounts each of which is an eligible contribution of the qualified corporation or the qualified partnership, as the case may be, in respect of a calendar year subsequent to the calendar year 2018 that ends in the taxation year or the fiscal period, as the case may be, in relation to the portion of the salary, wages or other remuneration that the corporation or the partnership paid, allocated, granted, awarded or attributed to the eligible employee in the calendar year and that is attributable to a date prior to 13 March 2024, other than a salary, wages or other remuneration in respect of which no contribution is payable by the qualified corporation or the qualified partnership under section 34 of the Act respecting the Régie de l’assurance maladie du Québec, because of subparagraph *d.1* of the sixth paragraph of that section 34;

““specified expenditure” of a qualified corporation for a taxation year or of a qualified partnership for a fiscal period, in relation to a specified employee, means, subject to section 1029.8.36.59.51, the aggregate of all amounts each of which is an eligible contribution of the qualified corporation or the qualified partnership, as the case may be, in respect of a calendar year subsequent to the calendar year 2018 that ends in the taxation year or the fiscal period, as the case may be, in relation to the portion of the salary, wages or other remuneration that the corporation or the partnership paid, allocated, granted, awarded or attributed to the specified employee in the calendar year and that is attributable to a date prior to 13 March 2024, other than a salary, wages or other remuneration in respect of which no contribution is payable by the qualified corporation or

the qualified partnership under section 34 of the Act respecting the Régie de l'assurance maladie du Québec, because of subparagraph *d.1* of the sixth paragraph of that section 34;”.

(2) Subsection 1 has effect from 13 March 2024. In addition, where subsection 1 applies after 7 June 2022, the definitions of “qualified expenditure” and “specified expenditure” in section 1029.8.36.59.49 of the Act are to be read as if “sixth” were replaced by “seventh”.

161. (1) Section 1029.8.36.59.58 of the Act is amended by replacing “of subparagraph *d.1* of the seventh paragraph” in the definition of “qualified expenditure” by “of subparagraph *d.1* or *d.2* of the sixth paragraph”.

(2) Subsection 1 has effect from 8 June 2022. However, where it has effect before 21 March 2023, the definition of “qualified expenditure” in section 1029.8.36.59.58 of the Act is to be read as if “of subparagraph *d.1* or *d.2* of the sixth paragraph” were replaced by “of subparagraph *d.1* of the sixth paragraph”.

162. (1) Section 1029.8.36.166.60.36 of the Act is amended

(1) by replacing “2025” in paragraph *a* of the definition of “specified property” in the first paragraph by “2030”;

(2) by inserting the following subparagraph after subparagraph *i* of paragraph *a* of the definition of “specified expenses” in the first paragraph:

“i.1. the amount by which the expenses incurred by the corporation to acquire the specified property in a preceding taxation year for which it was a qualified corporation that are included, at the end of the preceding year, in the capital cost of the property and that are paid in the particular year, but on or before the last day of the 18-month period following the end of that preceding year, exceed the portion of those expenses that was taken into account for the purpose of establishing the amount of the corporation’s specified expenses in respect of which the corporation would be deemed to have paid an amount to the Minister under section 1029.8.36.166.60.48 for a taxation year preceding the particular year if that section were read without reference to its third paragraph, and”;

(3) by inserting the following subparagraph after subparagraph *i* of paragraph *b* of the definition of “specified expenses” in the first paragraph:

“i.1. the amount by which the expenses incurred by the partnership to acquire the specified property in a preceding fiscal period for which it was a qualified partnership that are included, at the end of the preceding fiscal period, in the capital cost of the property and that are paid in the particular fiscal period, but on or before the last day of the 18-month period following the end of that preceding fiscal period, exceed the portion of those expenses that was taken into account for the purpose of establishing the amount of the partnership’s

specified expenses in respect of which a corporation that is a member of the partnership would be deemed to have paid an amount to the Minister under section 1029.8.36.166.60.49 for a taxation year preceding that in which the particular fiscal period ends if that section were read without reference to its third and fifth paragraphs and if, where the corporation was not a qualified corporation for the preceding taxation year, it had been such a corporation for that taxation year, and”;

(4) by striking out subparagraphs ii and xiv of paragraph *a* of the definition of “territory with low economic vitality” in the first paragraph;

(5) by replacing “2025” in subparagraph *b* of the second paragraph by “2030”.

(2) Paragraphs 2 and 3 of subsection 1 apply in respect of expenses incurred in a taxation year or fiscal period, as the case may be, that ends after 7 November 2023. In addition, those paragraphs apply in respect of particular expenses incurred by a corporation, or by a partnership of which the corporation is a member, in a particular taxation year or particular fiscal period, as the case may be, that ends before 8 November 2023, where

(1) the corporation has made, for a taxation year, an application in accordance with section 1029.8.36.166.60.48 or 1029.8.36.166.60.49 of the Act, as the case may be;

(2) the application referred to in paragraph 1 has been refused by the Minister of Revenue in respect of the particular expenses on the ground that it was not made for the particular taxation year or for the taxation year in which the particular fiscal period ended; or

(3) the corporation makes a new application in respect of the particular expenses by filing with the Minister of Revenue the prescribed form containing prescribed information referred to in section 1029.8.36.166.60.48 or 1029.8.36.166.60.49 of the Act, as the case may be, on or before the 183rd day after the day of sending of a notice of assessment or reassessment issued to the corporation and refusing in whole or in part the application referred to in paragraph 1 or, if later, 30 June 2024.

(3) Paragraph 4 of subsection 1 applies in respect of expenses incurred after 30 June 2025 for the acquisition of a property after that date.

(4) Despite sections 1010 to 1011 of the Act, the Minister of Revenue shall, under Part I of the Act, in respect of the particular year, make such determinations or redeterminations of the amount deemed to have been paid by the corporation for that year under Division II.6.14.2.3 of Chapter III.1 of Title III of Book IX of that Part I, without reference to its section 1029.6.0.1.2, and such reassessments of the corporation’s interest and penalties as are necessary to give effect to the application referred to in paragraph 3 of subsection 2. Sections 93.1.8

and 93.1.12 of the Tax Administration Act (chapter A-6.002) apply to such determinations, redeterminations or reassessments, with the necessary modifications.

163. (1) Section 1029.8.36.166.60.38 of the Act is amended

(1) by replacing “48-month” in subparagraph i of subparagraph *a* of the first paragraph by “36-month”;

(2) by replacing “48-month” in subparagraph *a* of the second paragraph by “36-month”.

(2) Subsection 1 applies to a taxation year that begins after 31 December 2023.

164. (1) Section 1029.8.36.166.60.40 of the Act is amended by replacing “48-month” in paragraph *a* by “36-month”.

(2) Subsection 1 applies to a fiscal period that begins after 31 December 2023.

165. (1) Section 1029.8.36.166.60.41 of the Act is amended by replacing “48-month” in subparagraph *a* of the first paragraph by “36-month”.

(2) Subsection 1 applies to a fiscal period that begins after 31 December 2023.

166. (1) Section 1029.8.36.166.60.45 of the Act is amended

(1) by replacing “third paragraph” in the second paragraph by “fourth paragraph”;

(2) by replacing the third paragraph by the following paragraph:

“The formula to which the first paragraph refers is

$1 - \{[(A - \$50,000,000)/\$50,000,000] \times B/C\}.$ ”;

(3) by inserting the following paragraph after the third paragraph:

“The formula to which the second paragraph refers is

$1 - [(A - \$50,000,000)/\$50,000,000].$ ”;

(4) by replacing the fourth paragraph by the following paragraph:

“In the formulas in the third and fourth paragraphs,

(*a*) *A* is the greater of

i. \$50,000,000, and

ii. the greater of the assets and the gross revenue that apply to the corporation for the taxation year, without exceeding \$100,000,000;

(b) B is the aggregate of

i. the corporation's specified expenses for the taxation year that were incurred in a taxation year that begins before 1 January 2024, and

ii. if the corporation is a member of a qualified partnership at the end of a particular fiscal period of the partnership that ends in the taxation year, the aggregate of all amounts each of which is the corporation's share of such a partnership's specified expenses for the particular fiscal period of the partnership that were incurred in a fiscal period that begins before 1 January 2024; and

(c) C is the aggregate of

i. the corporation's specified expenses for the taxation year, and

ii. if the corporation is a member of a qualified partnership at the end of a particular fiscal period of the partnership that ends in the taxation year, the aggregate of all amounts each of which is the corporation's share of such a partnership's specified expenses for the particular fiscal period of the partnership."

(2) Subsection 1 applies to a taxation year that begins after 31 December 2023.

167. Section 1029.8.36.166.60.48 of the Act is amended by replacing the third paragraph by the following paragraph:

"Unless all the specified expenses that are taken into account for the purpose of establishing the amount that a corporation is deemed to have paid to the Minister under the first paragraph or the first paragraph of section 1029.8.36.166.60.49 were incurred in a taxation year or fiscal period, as the case may be, that begins after 31 December 2023, the total amount that the corporation is deemed to have paid to the Minister for the year under the first paragraph and, if applicable, under the first paragraph of section 1029.8.36.166.60.49 may not exceed the corporation's maximum tax credit amount for the year."

168. (1) Section 1029.8.36.166.60.49 of the Act is amended

(1) by replacing the third paragraph by the following paragraph:

"Unless all the specified expenses that are taken into account for the purpose of establishing the amount that a corporation is deemed to have paid to the Minister under the first paragraph or the first paragraph of section 1029.8.36.166.60.48 were incurred in a fiscal period or taxation year, as the case may be, that begins after 31 December 2023, the total amount that

the corporation is deemed to have paid to the Minister for the year under the first paragraph and, if applicable, under the first paragraph of section 1029.8.36.166.60.48 may not exceed the corporation's maximum tax credit amount for the year.”;

(2) by replacing “of subparagraph ii” in the fifth paragraph by “of subparagraph i.1 or ii”.

(2) Paragraph 2 of subsection 1 applies in respect of expenses incurred in a fiscal period that ends after 7 November 2023.

169. (1) Section 1029.8.36.166.60.50 of the Act is amended

(1) by inserting the following subparagraph after subparagraph i of subparagraph *a* of the first paragraph:

“i.1. if the portion of the specified expenses represents expenses that are described in the fifth paragraph, 25%, or”;

(2) by inserting the following subparagraph after subparagraph i of subparagraph *b* of the first paragraph:

“i.1. if the portion of the specified expenses represents expenses that are described in the fifth paragraph, 20%, or”;

(3) by inserting the following subparagraph after subparagraph i of subparagraph *c* of the first paragraph:

“i.1. if the portion of the specified expenses represents expenses that are described in the fifth paragraph, 15%, or”;

(4) by adding the following paragraph at the end:

“The expenses referred to in subparagraph i.1 of each of subparagraphs *a* to *c* of the first paragraph are those that are incurred either after 31 December 2023 or in the particular period that begins on 26 March 2021 and ends on 31 December 2023 for the acquisition of a property after that latter date, except

(*a*) the expenses incurred in respect of a property that is acquired pursuant to an obligation in writing entered into before 26 March 2021 or the construction of which, by or on behalf of the purchaser, had begun before that date; and

(*b*) the expenses that are described in the fourth paragraph.”

(2) Subsection 1 has effect from 7 November 2023.

170. (1) Section 1029.8.61.96.16 of the Act is replaced by the following section:

“1029.8.61.96.16. The amount determined under subparagraph i or ii of paragraph *a* of section 1029.8.61.96.12 or included in the aggregate described in paragraph *b* of that section, in respect of each person who is an eligible carereceiver in relation to an individual and has reached 18 years of age in a taxation year, and taken into account for the purpose of computing the amount that the individual is deemed to have paid to the Minister under section 1029.8.61.96.12 for the year is to be replaced by an amount equal to the proportion of that amount that the number of months in the year that follow the month in which that person reaches 18 years of age is of 12.”

(2) Subsection 1 applies from the taxation year 2020.

171. (1) The Act is amended by inserting the following section after section 1049:

“1049.0.0.1. The following incur a penalty of up to \$5,000 comprising a penalty of \$1,000 and an additional penalty of \$100 a day, as of the second day, for every day the failure or omission continues:

(*a*) every person or partnership who, knowingly or under circumstances amounting to gross negligence, makes, or participates or acquiesces in the making of, a false statement or omission in a fiscal return made or filed in respect of a trust (other than an excluded trust within the meaning of subsection 2.2 of section 1000) for a taxation year or fails to make such a return; and

(*b*) every person or partnership who fails to comply with a demand under section 1001 or a formal demand under section 39 of the Tax Administration Act (chapter A-6.002) to file a return described in paragraph *a*.”

(2) Subsection 1 applies to a taxation year that ends after 30 December 2023.

172. (1) Section 1051 of the Act is amended by inserting the following subparagraph after subparagraph *d* of the second paragraph:

“(*d.1*) within the three or four years, as the case may be, following the day on which the information return referred to in section 1079.8.15.3 is filed, in relation to an uncertain tax treatment, within the meaning of section 1079.8.15.2, where paragraph *a.3* of subsection 2 of section 1010 applies; or”.

(2) Subsection 1 applies to a taxation year that begins after 31 December 2022.

173. (1) Section 1079.3 of the Act is replaced by the following section:

“1079.3. Upon receipt of an application under section 1079.2 for an identification number for a tax shelter, together with prescribed information, the prescribed amount and an undertaking satisfactory to the Minister that records in respect of the tax shelter will be kept and retained at a place that is satisfactory to the Minister, the Minister shall issue an identification number for the tax shelter.”

(2) Subsection 1 applies from 1 January 2025.

174. Section 1079.8.12 of the Act is amended by replacing “admission” in the French text by “reconnaissance”.

175. Section 1079.8.15.4 of the Act is amended by replacing “ne peut être assimilée à un aveu ou à une admission de la société” in the French text by “ne peut être assimilée à un aveu ou à la reconnaissance, de la part de la société,”.

176. Section 1094 of the Act is amended by replacing “droit dans” in subparagraph iv of paragraph c in the French text by “droit sur”.

177. Section 1096 of the Act is replaced, in the French text, by the following section:

“1096. Pour l’application des articles 1094 et 1095, un bien est réputé comprendre, à un moment donné, un droit ou une option sur ce bien, même si ce bien n’existe pas à ce moment.”

178. Section 1102.1 of the Act is amended by replacing the second paragraph by the following paragraph:

“Property described in the first paragraph includes, at a particular time, any right in or option in respect of such property, whether or not the property exists at that time.”

179. Section 1102.4 of the Act is amended by replacing “an interest in” in paragraph h by “a right in”.

180. Section 1120 of the Act is amended by replacing “an interest in” in subparagraph i of paragraph b and “interest in” in subparagraph ii of that paragraph by “a right in” and “right in”, respectively.

181. (1) Section 1129.0.0.1 of the Act is amended

(1) by replacing the first paragraph by the following paragraph:

“In each of Parts III.0.1, III.1 to III.1.0.5, III.1.1, III.1.1.2, III.1.1.3, III.1.1.7, III.6.4.1, III.6.4.2, III.10, III.10.1, III.10.1.2 to III.10.1.8 and III.10.2, “government assistance” and “non-government assistance” have the meaning

assigned by section 1029.6.0.0.1 for the purposes of the Title of Book V or the division of Chapter III.1 of Title III of Book IX of Part I to which that Part relates.”;

(2) by striking out the second paragraph.

(2) Subsection 1 applies from 1 January 2025.

182. Section 1129.0.0.4 of the Act is amended by replacing the portion before subparagraph *a* of the first paragraph by the following:

“1129.0.0.4. If, at a particular time after 21 April 2005, a person or partnership pays, pursuant to a legal obligation, a particular amount that may reasonably be considered to be the repayment of a benefit or advantage that, for the purpose of computing an amount (in this section referred to as the “credit amount”) that a taxpayer is deemed to have paid to the Minister for any given taxation year under a particular provision of any of Divisions II.6.0.1.7 and II.6.6.1 to II.6.7 of Chapter III.1 of Title III of Book IX of Part I, was taken into account in computing an expenditure or the taxpayer’s share of an expenditure, the following rules have effect, where applicable, for the purposes of the Part among Parts III.1.1.7, III.10.1.2 to III.10.1.8 and III.10.2 that relates to the particular provision:”.

183. Section 1129.2 of the Act is amended by replacing subparagraph *a.1* of the first paragraph by the following subparagraph:

“(a.1) where the situations described in subparagraphs i and ii of subparagraph *a* are not encountered in the particular year in relation to the property and have not been encountered in any preceding taxation year and the corporation ceases in the particular year to be recognized as a qualified corporation not dealing at arm’s length with another corporation that holds a broadcasting licence issued by the Canadian Radio-television and Telecommunications Commission or to be recognized as a qualified corporation not dealing at arm’s length with another corporation that is an eligible online video service provider because the Société de développement des entreprises culturelles revokes in the particular year the qualification certificate referred to in paragraph *a.3* or *a.5*, as the case may be, of the definition of “qualified corporation” in the first paragraph of section 1029.8.34 that was issued to the corporation, for any taxation year, the amount by which the aggregate of all amounts each of which is an amount that the corporation is deemed to have paid to the Minister under section 1029.8.35 in respect of the property for the taxation year exceeds the aggregate of all amounts each of which is a tax that the corporation is required to pay under this Part in respect of the property for the taxation year; and”.

184. (1) Section 1129.4.3.7 of the Act is replaced by the following section:

“1129.4.3.7. For the purposes of Part I, except Title III.3.1 of Book V and Division II.6.0.1.2 of Chapter III.1 of Title III of Book IX, the tax paid at any time by a corporation to the Minister under section 1129.4.3.6, in relation

to a property, is deemed to be an amount of assistance repaid at that time by the corporation in respect of the property, pursuant to a legal obligation.”

(2) Subsection 1 applies from 1 January 2025.

185. (1) Section 1129.4.3.11 of the Act is replaced by the following section:

“1129.4.3.11. For the purposes of Part I, except Title III.3.2 of Book V and Division II.6.0.1.3 of Chapter III.1 of Title III of Book IX, the tax paid at any time by a corporation to the Minister under section 1129.4.3.10, in relation to an expenditure included in a qualified labour expenditure of the corporation, is deemed to be an amount of assistance repaid at that time by the corporation in respect of the expenditure, pursuant to a legal obligation.”

(2) Subsection 1 applies from 1 January 2025.

186. Section 1129.4.3.38 of the Act is replaced by the following section:

“1129.4.3.38. For the purposes of Part I, except Title III.4 of Book V and Division II.6.0.1.9 of Chapter III.1 of Title III of Book IX, tax paid at any time by a corporation to the Minister under section 1129.4.3.37, in relation to qualified wages, is deemed to be an amount of assistance repaid at that time by the corporation in respect of the wages, pursuant to a legal obligation.”

187. (1) Section 1129.27.4.1 of the Act is amended, in the definition of “annual limit amount”,

(1) by replacing “*c* to *e*” in the portion of paragraph *b* before subparagraph *i* by “*c* to *f*”;

(2) by adding the following paragraph at the end:

“(f) \$125,000,000, in respect of the capitalization period that begins on 1 March 2024 and ends on 28 February 2025;”.

(2) Subsection 1 has effect from 1 March 2024.

188. (1) The Act is amended by inserting the following Parts after section 1129.27.18:

“PART III.6.4.1

“SPECIAL TAX RELATING TO THE NON-REFUNDABLE TAX CREDIT FOR MULTIMEDIA TITLES (GENERAL)

“1129.27.18.1. In this Part,

“qualified labour expenditure” of a corporation for a taxation year has the meaning assigned by section 1029.8.36.0.3.8;

“unused portion of the tax credit” of a corporation for a taxation year has the meaning assigned by section 776.1.18.1.

“1129.27.18.2. Every corporation that has deducted an amount under section 776.1.18.2 or 776.1.18.3 for a taxation year shall pay the tax computed under the second paragraph for a subsequent taxation year (in this section referred to as the “repayment year”) in which

(a) an amount relating to an expenditure included in computing a qualified labour expenditure of the corporation for a taxation year preceding the repayment year is, directly or indirectly, refunded or otherwise paid to the corporation or allocated to a payment to be made by the corporation, or obtained by a person or partnership; or

(b) government assistance or non-government assistance is received by a person or partnership and the assistance would have reduced, in accordance with paragraph *b* of section 1029.8.36.0.3.10.1, the amount of a portion of a consideration included in computing a qualified labour expenditure of the corporation for a taxation year preceding the repayment year, if the person or partnership had received it, had been entitled to receive it or could reasonably have expected to receive it on or before the corporation’s filing-due date for that preceding year.

The tax to which the first paragraph refers is equal to the amount by which the aggregate of all amounts each of which is an amount that the corporation deducted under section 776.1.18.2 or 776.1.18.3 for a taxation year preceding the repayment year exceeds the total of

(a) the aggregate of all amounts each of which is an amount that the corporation could have deducted under section 776.1.18.2 or 776.1.18.3 for a preceding year if, for the purposes of the definition of “qualified labour expenditure” in section 1129.27.18.1,

i. every amount referred to in subparagraph *a* of the first paragraph that is, at or before the end of the repayment year, so refunded, paid or allocated, or so obtained, in relation to an expenditure included in computing a qualified labour expenditure of the corporation for a preceding year, had been refunded, paid, allocated or obtained in that preceding year,

ii. every government assistance or non-government assistance referred to in subparagraph *b* of the first paragraph that is received by a person or partnership at or before the end of the repayment year, in relation to a portion of a consideration included in a qualified labour expenditure of the corporation for a preceding year, had been received in that preceding year, and

iii. every amount referred to in the first paragraph of section 776.1.18.6, for the repayment year or for a preceding year, that is, at or before the end of the repayment year, paid or deemed to be paid under section 776.1.18.7, in relation to an expenditure included in computing a qualified labour expenditure of the

corporation for a preceding year, had been paid or deemed to be paid in that preceding year; and

(b) the aggregate of all amounts each of which is a tax that the corporation is required to pay to the Minister under this section for a taxation year preceding the repayment year.

“1129.27.18.3. For the purposes of Part I, except Title III.3.1 of Book V and Division II.6.0.1.2 of Chapter III.1 of Title III of Book IX, the tax paid at any time by a corporation to the Minister under section 1129.27.18.2, in relation to an expenditure included in a qualified labour expenditure of the corporation, is deemed to be an amount of assistance repaid at that time by the corporation in respect of the expenditure, pursuant to a legal obligation.

“1129.27.18.4. Unless otherwise provided in this Part, the first paragraph of section 549, section 564 where it refers to the first paragraph of section 549, sections 1000 to 1024, subparagraph *b* of the first paragraph of section 1027 and sections 1037 to 1079.16 apply to this Part, with the necessary modifications.

“PART III.6.4.2

“SPECIAL TAX RELATING TO THE NON-REFUNDABLE TAX CREDIT FOR CORPORATIONS SPECIALIZED IN THE PRODUCTION OF MULTIMEDIA TITLES

“1129.27.18.5. In this Part,

“qualified labour expenditure” of a corporation for a taxation year has the meaning assigned by section 1029.8.36.0.3.18;

“unused portion of the tax credit” of a corporation for a taxation year has the meaning assigned by section 776.1.18.9.

“1129.27.18.6. Every corporation that has deducted an amount under section 776.1.18.10 or 776.1.18.11 for a taxation year shall pay the tax computed under the second paragraph for a subsequent taxation year (in this section referred to as the “repayment year”) in which

(a) an amount relating to an expenditure included in computing its qualified labour expenditure for a taxation year preceding the repayment year is, directly or indirectly, refunded or otherwise paid to the corporation or allocated to a payment to be made by the corporation, or obtained by a person or partnership; or

(b) government assistance or non-government assistance is received by a person or partnership and the assistance would have reduced, in accordance with paragraph *b* of section 1029.8.36.0.3.21, the amount of a portion of a consideration included in computing its qualified labour expenditure for a taxation year preceding the repayment year, if the person or partnership had received it, had been entitled to receive it or could reasonably have expected to receive it on or before the corporation’s filing-due date for that preceding year.

The tax to which the first paragraph refers is equal to the amount by which the aggregate of all amounts each of which is an amount that the corporation deducted under section 776.1.18.10 or 776.1.18.11 for a taxation year preceding the repayment year exceeds the total of

(a) the aggregate of all amounts each of which is an amount that the corporation could have deducted under section 776.1.18.10 or 776.1.18.11 for a preceding year if, for the purposes of the definition of “qualified labour expenditure” in section 1129.27.18.5,

i. every amount referred to in subparagraph *a* of the first paragraph that is, at or before the end of the repayment year, so refunded, paid or allocated, or so obtained, in relation to an expenditure included in computing its qualified labour expenditure for a preceding year, had been refunded, paid, allocated or obtained in that preceding year,

ii. every government assistance or non-government assistance referred to in subparagraph *b* of the first paragraph that is received by a person or partnership at or before the end of the repayment year, in relation to a portion of a consideration included in the corporation’s qualified labour expenditure for a preceding year, had been received in that preceding year, and

iii. every amount referred to in the first paragraph of section 776.1.18.14, for the repayment year or for a preceding year, that is, at or before the end of the repayment year, paid or deemed to be paid under section 776.1.18.15, in relation to an expenditure included in computing its qualified labour expenditure for a preceding year, had been paid or deemed to be paid in that preceding year; and

(b) the aggregate of all amounts each of which is a tax that the corporation is required to pay to the Minister under this section for a taxation year preceding the repayment year.

“1129.27.18.7. For the purposes of Part I, except Title III.3.2 of Book V and Division II.6.0.1.3 of Chapter III.1 of Title III of Book IX, the tax paid at any time by a corporation to the Minister under section 1129.27.18.6, in relation to an expenditure included in a qualified labour expenditure of the corporation, is deemed to be an amount of assistance repaid at that time by the corporation in respect of the expenditure, pursuant to a legal obligation.

“1129.27.18.8. Unless otherwise provided in this Part, the first paragraph of section 549, section 564 where it refers to the first paragraph of section 549, sections 1000 to 1024, subparagraph *b* of the first paragraph of section 1027 and sections 1037 to 1079.16 apply to this Part, with the necessary modifications.”

(2) Subsection 1 applies from 1 January 2025.

189. (1) Section 1129.33.0.3 of the Act is amended

(1) by replacing “without reference to its Chapter III” in the first paragraph by “without reference to the second paragraph of its section 11 and to its Chapter III”;

(2) by replacing “transfer duties owed in respect of the transfer” in the second paragraph by “amount described in the third paragraph”;

(3) by adding the following paragraph at the end:

“The amount to which the second paragraph refers is

(a) where the transfer duties owed in respect of the transfer may, under a by-law adopted by the municipality in whose territory the immovable is situated, be paid in several instalments and the transferee avails itself of that possibility, the amount of the first instalment in respect of a portion of the transfer duties owed in respect of the transfer; or

(b) in any other case, the transfer duties owed in respect of the transfer.”

(2) Subsection 1 applies in respect of the transfer of an immovable made after 7 December 2023.

190. (1) Section 1129.33.0.4 of the Act is amended

(1) by replacing “transfer duties owed in respect of the immovable” in the second paragraph by “amount described in the third paragraph”;

(2) by adding the following paragraph at the end:

“The amount to which the second paragraph refers is

(a) where the transfer duties owed in respect of the immovable may, under a by-law adopted by the municipality in whose territory the immovable is situated, be paid in several instalments and the transferee avails itself of that possibility, the amount of the first instalment of the transfer duties owed in respect of the immovable; or

(b) in any other case, the transfer duties owed in respect of the immovable.”

(2) Subsection 1 applies in respect of the transfer of an immovable made after 7 December 2023.

191. (1) Section 1175.28.0.6 of the Act is amended by replacing “*e* and *f*” in subparagraph *b* of the first paragraph by “*e* to *h*”.

(2) Subsection 1 has effect from 1 January 2024.

192. (1) Section 1175.28.0.7 of the Act is amended by replacing “*e* and *f*” in paragraph *d* by “*e* to *h*”.

(2) Subsection 1 has effect from 1 January 2024.

193. (1) Section 1175.28.14 of the Act is amended by replacing paragraph *a.1* by the following paragraph:

“(a.1) the portion of that tax that is determined under subparagraph *a* of the third paragraph of that section and that may reasonably be considered as relating to a deduction under any of Titles III.3, III.3.1, III.3.2, III.4 and III.5 of Book V of Part I, in relation to an expense, is deemed to be an amount of assistance repaid at that time by the person in respect of the expense, pursuant to a legal obligation, for the purposes of Part I, except for the definition of “total taxes” in the first paragraph of sections 1029.8.36.166.40, 1029.8.36.166.60.36 and 1029.8.36.167 and, as the case may be,

- i. that Title III.3 or that Title III.5,
- ii. that Title III.3.1 and Division II.6.0.1.2 of Chapter III.1 of Title III of Book IX,
- iii. that Title III.3.2 and Division II.6.0.1.3 of Chapter III.1 of Title III of Book IX, or
- iv. that Title III.4 and Division II.6.0.1.9 of Chapter III.1 of Title III of Book IX;”.

(2) Subsection 1 applies from 1 January 2025.

ACT RESPECTING THE APPLICATION OF THE TAXATION ACT

194. (1) Section 61 of the Act respecting the application of the Taxation Act (chapter I-4) is amended

(1) by replacing the first paragraph by the following paragraph:

“In the case provided for in section 444 or 459 of the Taxation Act (chapter I-3) in respect of the child of a taxpayer, the provisions specified in the second paragraph do not apply to computing the cost, for the child, of land described in that section 444 or 459, respectively, if such land belonged to the taxpayer on 31 December 1971 and thereafter without interruption until the taxpayer’s death or, as the case may be, until the transfer; in such case, section 69 applies to the transfer or assignment of such land to the child as if the date of 18 June 1971, mentioned in that section, were replaced by that of 31 December 1971.”;

(2) by inserting the following paragraph after the first paragraph:

“The provisions to which the first paragraph refers are the following provisions of the Taxation Act:

(a) subparagraph ii of subparagraph *a* of the second paragraph of section 444 and subparagraph 2 of subparagraph *v* of that subparagraph *a*;

(b) subparagraph iv of subparagraph *b* of the second paragraph of section 444; and

(c) paragraph *b* of section 462.”;

(3) by replacing the second paragraph in the French text by the following paragraph:

“Pour l’application du présent article, l’expression « enfant » d’un contribuable comprend un petit-fils, une petite-fille, un arrière-petit-fils ou une arrière-petite-fille du contribuable ainsi qu’une personne qui, à un moment quelconque avant qu’elle n’ait atteint l’âge de 21 ans, était entièrement à la charge du contribuable pour sa subsistance et dont ce dernier avait, à ce moment, la garde et la surveillance, en droit ou de fait.”

(2) Paragraphs 1 and 2 of subsection 1 apply in respect of the disposition of a property that occurs after 1 May 2006, except where the disposition of the property occurred before 1 January 2007 and the taxpayer made a valid election for the taxation year in which the disposition occurred under subsection 6 of section 10 of the Second Act to implement certain provisions of the budget tabled in Parliament on May 2, 2006 (Statutes of Canada, 2007, chapter 2).

ACT RESPECTING THE SECTORAL PARAMETERS OF CERTAIN FISCAL MEASURES

195. (1) Section 2.11 of Schedule E to the Act respecting the sectoral parameters of certain fiscal measures (chapter P-5.1) is amended by replacing “50%” in subparagraph *b* of paragraph 3 by “40%”.

(2) Subsection 1 applies in respect of an application for a certificate that is filed for a taxation year that begins after 19 December 2023.

196. (1) Section 8.1 of Schedule E to the Act is amended by replacing “of the seventh paragraph” in paragraph 2 of the definition of “tax holiday relating to the carrying out of a large investment project” in the first paragraph by “of the sixth paragraph”.

(2) Subsection 1 has effect from 8 June 2022.

197. (1) Section 9.12 of Schedule E to the Act is amended by replacing “50%” in subparagraph *b* of paragraph 3 by “40%”.

(2) Subsection 1 applies in respect of an application for a certificate that is filed for a taxation year that begins after 19 December 2023.

198. Section 3.7 of Schedule H to the Act is amended by replacing “import the film into” in subparagraph *d* of subparagraph 4 of the second paragraph by “exploit the film in”.

199. (1) Section 5.1 of Schedule H to the Act is amended by replacing the definition of “labour cost” in the first paragraph by the following definition:

““labour cost” of a corporation for a taxation year in respect of a film means the aggregate of all amounts each of which is an amount that is described in paragraph *a* or *b* of the definition of “production costs” in the first paragraph of section 1029.8.36.0.0.4 of the Taxation Act, or that would be described in paragraph *c* of that definition if it were read without reference to “, except the portion of the cost of a contract and the other costs related to the contract that are referred to in paragraph *c.1*”, and that would be included in the corporation’s production costs for the year in respect of the film for the purposes of the film production services tax credit if no reference were made to subparagraph *c* of the third paragraph of that section;”.

(2) Subsection 1 applies in respect of a film for which an application for an approval certificate is filed with the Société de développement des entreprises culturelles after 12 March 2024 or, if the Société de développement des entreprises culturelles considers that the work on the film was sufficiently advanced on that date, after 31 May 2024.

ACT RESPECTING THE RÉGIE DE L’ASSURANCE MALADIE DU QUÉBEC

200. (1) Section 34.1.0.3.1 of the Act respecting the Régie de l’assurance maladie du Québec (chapter R-5) is amended

(1) by replacing the portion of subparagraph *iv* of subparagraph *a* of the fifth paragraph before subparagraph 1 by the following:

“*iv.* in the case of a deemed large investment project within the meaning of the seventh paragraph of section 33, where the first taxation year to which the computation method election in relation to the project applies is not subsequent to the taxation year that includes the last day of the tax-free period in respect of the first large investment project and where the particular year is not that first year and is referred to in subparagraph 1 or 2, whichever of the following amounts is applicable:”;

(2) by replacing the portion of subparagraph *iv* of subparagraph *b* of the fifth paragraph before subparagraph 1 by the following:

“*iv.* in the case of a deemed large investment project within the meaning of the seventh paragraph of section 33, where the first fiscal period to which the computation method election in relation to the project applies is not subsequent

to the fiscal period that includes the last day of the tax-free period in respect of the first large investment project and where the particular fiscal period is not that first fiscal period and is referred to in subparagraph 1 or 2, whichever of the following amounts is applicable:”;

(3) by adding the following paragraph at the end:

“An amount determined by the formula in this section that is less than zero is deemed to be equal to zero.”

(2) Subsection 1 has effect from 21 March 2023.

ACT RESPECTING THE QUÉBEC SALES TAX

201. (1) Section 1 of the Act respecting the Québec sales tax (chapter T-0.1), amended by section 1426 of chapter 34 of the statutes of 2023, is again amended

(1) by replacing the definition of “fiscal month” by the following definition:

““fiscal month” of a person at a particular time means

(1) where subdivision IV of subdivision 0.1 of Division IV of Chapter VIII applies in respect of the person, the period determined under sections 458.1.2, 458.2 and 458.2.1; or

(2) where that subdivision IV does not apply in respect of the person, either of the following periods:

(a) where the person is a registrant under Part IX of the Excise Tax Act, the person’s fiscal month for the purposes of Part IX of that Act at that time, or

(b) in any other case, the period determined under sections 458.1.2, 458.2 and 458.2.1;”;

(2) by replacing the definition of “commercial service” by the following definition:

““commercial service”, in respect of corporeal movable property, means any service in respect of the property other than

(1) a service of shipping the property supplied by a carrier;

(2) a financial service; and

(3) a service that is acquired for consumption, use or supply in the course of, or in connection with, the performance of a mining activity, within the meaning of section 350.12.1, in Québec;”;

(3) by replacing the definition of “fiscal quarter” by the following definition:

““fiscal quarter” of a person at a particular time means

(1) where subdivision IV of subdivision 0.1 of Division IV of Chapter VIII applies in respect of the person, the period determined under sections 458.1.1, 458.2 and 458.2.1; or

(2) where that subdivision IV does not apply in respect of the person, either of the following periods:

(a) where the person is a registrant under Part IX of the Excise Tax Act, the person’s fiscal quarter for the purposes of Part IX of that Act at that time, or

(b) in any other case, the period determined under sections 458.1.1, 458.2 and 458.2.1;”.

(2) Paragraphs 1 and 3 of subsection 1 apply from 1 January (*insert the year following the year of assent to this Act*). In addition, where a reporting period of a person to which subdivision IV of subdivision 0.1 of Division IV of Chapter VIII of Title I of the Act applies begins before 1 January (*insert the year following the year of assent to this Act*) and ends after 31 December (*insert the year of assent to this Act*), the person’s reporting period is deemed to end on 31 December (*insert the year of assent to this Act*).

(3) Paragraph 2 of subsection 1 has effect from 5 February 2022.

202. (1) Section 17 of the Act is amended

(1) by replacing “in subparagraph 2.1” in subparagraph 2 of the second paragraph by “in subparagraph 2.1 or 2.1.1”;

(2) by inserting “, other than a road vehicle referred to in subparagraph 2.1.1” after “following an application by the person” in the portion of subparagraph 2.1 of the second paragraph before subparagraph *a*;

(3) by inserting the following subparagraph after subparagraph 2.1 of the second paragraph:

“(2.1.1) in the case of a used road vehicle supplied to the person outside Québec by way of sale that must be registered under the Highway Safety Code following an application by the person, if the supply of the vehicle was made between related individuals, the value of the consideration for the supply;”;

(4) by adding the following subparagraph at the end of the fourth paragraph:

“(8) a used road vehicle supplied to a person outside Québec that must be registered under the Highway Safety Code following an application by the person, if the supply of the vehicle was made between related individuals by

way of gift or between individuals in settlement of rights arising out of their marriage.”

(2) Subsection 1 applies in respect of a used road vehicle brought into Québec after 12 March 2024.

203. (1) Section 193 of the Act is amended by inserting the following definition in alphabetical order:

““corporeal movable property” includes money;”.

(2) Subsection 1 has effect from 10 August 2022. It also applies in respect of a supply made before 10 August 2022 where the supplier has not charged or collected, before that date, any amount as or on account of tax under Title I of the Act in respect of the supply.

204. (1) The Act is amended by inserting the following section after section 289.8:

“289.8.0.1. If, in making an assessment of the net tax for a reporting period of a person, the Minister determines that the tax in respect of a supply of all or part of a specified resource deemed to have been made by the person under subparagraph 1 of the first paragraph of section 289.5 or 289.5.1 or in respect of a supply of an employer resource deemed to have been made by the person under subparagraph 1 of the first paragraph of any of sections 289.6, 289.6.1, 289.7 and 289.7.1 is greater than the amount of tax that had been accounted for in respect of the supply prior to the Minister’s assessment of the net tax for the reporting period and if the person has paid or remitted all amounts owing to the Minister in respect of the net tax for the reporting period, if any, the following rules apply:

(1) the person shall, in the form and manner determined by the Minister, provide the information determined by the Minister in respect of the supply to each pension entity that is deemed to have paid tax in respect of the specified resource or part or in respect of the employer resource, as the case may be, under subparagraph 4 of the first paragraph of whichever of sections 289.5, 289.5.1, 289.6, 289.6.1, 289.7 and 289.7.1 is applicable (in this section referred to as the “applicable subparagraph”) before the day that is one year after the later of

(a) the day on which the Minister sends the notice of assessment, and

(b) the first day on which all amounts owing to the Minister in respect of the net tax for the reporting period, if any, have been paid or remitted; and

(2) if the person provides the information determined by the Minister to a particular pension entity in accordance with subparagraph 1 and if the information is received by the particular pension entity on a particular day that

is after the end of the last claim period, within the meaning of section 383, of the particular pension entity that ends within two years after the day on which the supply was deemed to have been made for the purposes referred to in the applicable subparagraph,

(a) the particular pension entity is deemed to have paid, on the particular day, tax equal to the amount determined by the formula

$A \times (B/C)$, and

(b) if the applicable subparagraph is subparagraph 4 of the first paragraph of any of sections 289.5, 289.5.1, 289.6 and 289.6.1, the tax that the particular pension entity is deemed to have paid under subparagraph *a* is deemed to have been paid in respect of the supply of the specified resource or part or in respect of the supply of the employer resource, as the case may be, that the particular pension entity is deemed to have received under the applicable subparagraph.

For the purposes of the formula in subparagraph *a* of subparagraph 2 of the first paragraph,

(1) *A* is the amount of tax in respect of the specified resource or part or in respect of the employer resource, as the case may be, that the particular pension entity is deemed to have paid under the applicable subparagraph;

(2) *B* is the difference between the tax in respect of the supply and the amount of tax that had been accounted for in respect of the supply prior to the Minister's assessment of the net tax for the reporting period; and

(3) *C* is the tax in respect of the supply."

(2) Subsection 1 applies in respect of a notice of assessment sent to a person by the Minister of Revenue. However, where section 289.8.0.1 of the Act applies in respect of a notice of assessment sent by the Minister of Revenue before 10 August 2022, it is to be read as if the portion of subparagraph 1 of the first paragraph before subparagraph *b* were replaced by the following:

"(1) the person may, in the form and manner determined by the Minister, provide the information determined by the Minister in respect of the supply to each pension entity that is deemed to have paid tax in respect of the specified resource or part or in respect of the employer resource, as the case may be, under subparagraph 4 of the first paragraph of whichever of sections 289.5, 289.5.1, 289.6, 289.6.1, 289.7 and 289.7.1 is applicable (in this section referred to as the "applicable subparagraph") before the day that is one year after the later of

(a) *(insert the date of assent to this Act)*, and".

205. (1) The Act is amended by inserting the following subdivision after section 289.8.1:

“§2.1.—*Pension entity—assessment of employer*

“**289.8.2.** For the purposes of sections 402.13 to 402.22, 433.15.1 to 433.19.11, 433.19.18 to 433.32 and 450.0.1 to 450.0.12 and sections 433.16R1 to 433.30R1 of the Regulation respecting the Québec sales tax (chapter T-0.1, r. 2), tax in respect of a supply of property or a service that became payable by a pension entity of a pension plan on a particular day is deemed to have become payable by the pension entity on the day on which the pension entity pays that tax and not to have become payable on the particular day if

(1) the supplier did not, before the end of the pension entity’s last claim period, within the meaning of section 383, that ends within two years after the end of the pension entity’s claim period that includes the particular day, charge that tax;

(2) the supplier discloses in writing to the pension entity that the Minister has sent a notice of assessment to the supplier for that tax;

(3) the pension entity pays that tax after the end of that last claim period; and

(4) that tax is not included in determining

(a) a rebate under section 402.14 that is claimed by the pension entity for that last claim period or for an earlier claim period of the pension entity, or

(b) an amount that a qualifying employer, within the meaning of section 402.13, of the pension plan deducts in determining its net tax for a reporting period as a consequence of a joint election made under any of sections 402.18, 402.19 and 402.19.1 with the pension entity for that last claim period or for an earlier claim period of the pension entity.”

(2) Subsection 1 applies in respect of tax that is paid by a pension entity in a claim period of the pension entity that ends after 9 August 2022.

206. (1) The Act is amended by inserting the following section after section 289.15:

“**289.15.1.** For the purposes of section 289.15, tax in respect of a supply of property or a service that became payable by a master pension entity on a particular day is deemed to have become payable by the master pension entity on the day on which the master pension entity pays that tax and not to have become payable on the particular day if

(1) the supplier did not, within two years after the particular day, charge that tax;

(2) the supplier discloses in writing to the master pension entity that the Minister has sent a notice of assessment to the supplier for that tax; and

(3) the master pension entity pays that tax on a day that is more than two years after the particular day.”

(2) Subsection 1 applies in respect of tax that is paid by a master pension entity after 9 August 2022.

207. (1) The Act is amended by inserting the following division after section 350.12:

“DIVISION XVI.1

“CRYPTOASSETS

“350.12.1. For the purposes of this division,

“cryptoasset” means property (other than prescribed property) that is a digital representation of value and that only exists at a digital address of a publicly distributed ledger;

“mining activity” means an activity of

(1) validating transactions in respect of a cryptoasset and adding them to a publicly distributed ledger on which the cryptoasset exists at a digital address;

(2) maintaining and permitting access to a publicly distributed ledger on which a cryptoasset exists at a digital address; or

(3) allowing computing resources to be used for the purpose of, or in connection with, performing activities described in paragraph 1 or 2 in respect of a cryptoasset;

“mining group” means a group of persons that, under an agreement,

(1) pool property or services for the performance of mining activities; and

(2) share mining payments in respect of the mining activities among members of the group;

“mining group operator”, in respect of a mining group, means a person that coordinates, oversees or manages the mining activities of the mining group;

“mining payment”, in respect of a mining activity, means money, property or a service that is a fee, reward or other form of payment and that is received or generated as a consequence of the mining activity being performed.

“350.12.2. For the purposes of this Title, to the extent that a person acquires or brings into Québec property or a service for consumption, use or supply in the course of, or in connection with, mining activities, the person is deemed to have acquired or brought into Québec the property or service for consumption, use or supply otherwise than in the course of the person’s commercial activities.

“350.12.3. For the purposes of this Title, where a person consumes, uses or supplies property or a service in the course of, or in connection with, mining activities, that consumption, use or supply is deemed to be otherwise than in the course of the person’s commercial activities.

“350.12.4. For the purposes of this Title, where a person receives a mining payment in respect of a mining activity, the following rules apply:

- (1) the provision of the mining activity is deemed not to be a supply;
- (2) the provision of the mining payment is deemed not to be a supply; and
- (3) in determining an input tax refund of another person that provides the mining payment, no amount is to be included in respect of tax that becomes payable, or is paid without having become payable, by the other person in respect of property or a service acquired or brought into Québec for consumption, use or supply in the course of, or in connection with, the provision of the mining payment by the other person.

“350.12.5. Sections 350.12.2 to 350.12.4 do not apply in respect of a mining activity to the extent that the mining activity is performed by a particular person for another person if

- (1) the identity of the other person is known to the particular person;
- (2) where the mining activity is in respect of a mining group that includes the particular person, the other person is not a mining group operator in respect of the mining group; and
- (3) where the other person is not resident in Canada and is not dealing at arm’s length with the particular person, each property or service—being property or a service that is received by the other person from the particular person as a consequence of the performance of the mining activity—is supplied, or is used or consumed in the course of making a supply, by the other person to one or more persons each of which
 - (a) is a person whose identity is known to the other person,
 - (b) deals at arm’s length with the other person, and
 - (c) is not a mining group operator in respect of a mining group that includes the other person if the mining activity is in respect of that mining group.”

(2) Subsection 1 has effect from 5 February 2022. However, for the purpose of determining an input tax refund of a person, paragraph 3 of section 350.12.4 of the Act, enacted by subsection 1, does not apply in respect of property or a service acquired or brought into Québec before 6 February 2022.

208. (1) Section 402.13 of the Act is amended by replacing subparagraph *a* of subparagraph 6 of the fourth paragraph by the following subparagraph:

“(a) if an application for a rebate under section 402.14 for the claim period is filed in accordance with section 402.16, the total of

- i. the total amount indicated on the application under section 402.16.1, and
- ii. the total of all amounts each of which is an eligible amount of the pension entity for the claim period that is described in paragraph 2 of the definition of “eligible amount” in the first paragraph and in respect of which a portion of the rebate is claimed by the pension entity in accordance with subparagraph 1 of the first paragraph of section 402.16.2,”.

(2) Subsection 1 has effect from 10 August 2022.

209. (1) Section 402.16.1 of the Act is amended by replacing the portion before paragraph 1 by the following:

“**402.16.1.** An application for a rebate under section 402.14 for a claim period of a pension entity must indicate the total of all amounts each of which is an eligible amount of the pension entity for the claim period (other than an eligible amount in respect of which a portion of the rebate is claimed by the pension entity in accordance with subparagraph 1 of the first paragraph of section 402.16.2)”.

(2) Subsection 1 has effect from 10 August 2022.

210. (1) The Act is amended by inserting the following section after section 402.16.1:

“**402.16.2.** Where an eligible amount of a pension entity for a claim period of the pension entity is an amount of tax that is deemed to have been paid under subparagraph *a* of subparagraph 2 of the first paragraph of section 289.8.0.1 or to have become payable under section 289.8.2, the following rules apply:

- (1) the portion of the rebate under section 402.14 for the claim period that is in respect of the excess pension rebate amount for the claim period in respect of the eligible amount may, despite section 402.17, be claimed in a separate application for the portion of that rebate that is in respect of the remaining pension rebate amount for the claim period provided that the application for the portion of that rebate that is in respect of that excess pension rebate amount is filed by the pension entity after the beginning of the pension entity’s fiscal year that includes the claim period and not later than

(a) if the pension entity is a registrant, the day on which the pension entity is required to file the return under Division IV of Chapter VIII for the claim period, or

(b) in any other case, the last day of the claim period; and

(2) a particular election under section 402.18 or 402.19 for the claim period that is in respect of the excess pension rebate amount for the claim period in respect of the eligible amount may be made separately from an election under section 402.18 or 402.19, as the case may be, that is in respect of the remaining pension rebate amount for the claim period provided that the portion of the rebate under section 402.14 for the claim period that is in respect of that excess pension rebate amount is claimed by the pension entity in a separate application that is filed in accordance with subparagraph 1 and the particular election is filed at the same time that the application is filed.

For the purposes of this section,

“excess pension rebate amount” for a claim period of a pension entity means, in respect of an amount of tax deemed to have been paid under subparagraph *a* of subparagraph 2 of the first paragraph of section 289.8.0.1, or to have become payable under section 289.8.2, by the pension entity during the claim period, the amount that would be the pension entity’s pension rebate amount for the claim period if the amount of tax were the only eligible amount of the pension entity for the claim period;

“remaining pension rebate amount” for a claim period of a pension entity means the amount determined by the formula

$A - B$.

For the purposes of the formula in the definition of “remaining pension rebate amount” in the second paragraph,

(1) *A* is the pension entity’s pension rebate amount for the claim period; and

(2) *B* is the total of all amounts each of which is an excess pension rebate amount for the claim period in respect of which a portion of the rebate under section 402.14 for the claim period is claimed by the pension entity in accordance with subparagraph 1 of the first paragraph.”

(2) Subsection 1 has effect from 10 August 2022.

211. (1) Section 450.0.2 of the Act is amended by striking out “clause A of” in subparagraph *b* of paragraph 2.

(2) Subsection 1 has effect from 1 January 2013.

212. (1) Section 450.0.4 of the Act is amended

(1) in the portion before subparagraph 1 of the first paragraph,

(a) by inserting “or subparagraph 2 of the first paragraph of section 289.8.0.1” after “under subparagraph *b* of subparagraph 4 of the first paragraph of section 289.5 or 289.5.1”;

(b) by replacing “clause A of subparagraph ii” and “that clause A” by “subparagraph ii” and “that subparagraph ii”, respectively;

(c) by inserting “or paragraph *b* of subsection 8.01 of that section 172.1” after “Excise Tax Act (R.S.C. 1985, c. E-15)”;

(d) by inserting “or that paragraph *b*” before “if the pension entity were”;

(2) by replacing subparagraph 4 of the first paragraph by the following subparagraph:

“(4) if any part of the amount of the deemed tax is included in the determination of the pension entity’s pension rebate amount for a particular claim period and if the pension entity makes an election for that claim period under any of sections 402.18, 402.19 and 402.19.1 jointly with all participating employers of the pension plan that are, for the calendar year that includes the last day of that claim period, qualifying employers of the pension plan, each of those participating employers shall add, in determining its net tax for its reporting period that includes the day that is the later of the day on which the tax adjustment note is issued and the day on which the election is filed with the Minister,

(a) except in the case described in subparagraph *b*, the amount determined by the formula

$$D \times E \times (B/C) \times (H/G), \text{ or}$$

(b) if the pension entity is a selected listed financial institution on the particular day, the amount determined by the formula

$$D \times E \times (B/C) \times (H/I).”;$$

(3) by adding the following subparagraph at the end of the second paragraph:

“(9) *I* is the value of *A* in the formula in the definition of “provincial pension rebate amount” in subsection 1 of section 261.01 of the Excise Tax Act, determined for the particular claim period, or, where applicable, the value *A* would have in that formula for the particular claim period if the pension entity were a selected listed financial institution for the purposes of that Act.”

(2) Subparagraphs *a*, *c* and *d* of paragraph 1 of subsection 1 have effect from 10 August 2022.

(3) Subparagraph *b* of paragraph 1 of subsection 1 has effect from 1 January 2013.

(4) Paragraphs 2 and 3 of subsection 1 apply in respect of a reporting period of a person for which the return under Chapter VIII of Title I of the Act is filed after 22 July 2016 or is to be filed under that Chapter on or before a day that is after 22 July 2016.

213. (1) Section 450.0.5 of the Act is amended by striking out “clause A of” in subparagraph *b* of paragraph 2.

(2) Subsection 1 has effect from 1 January 2013.

214. (1) Section 450.0.7 of the Act is amended

(1) in the portion before subparagraph 1 of the first paragraph,

(a) by inserting “or subparagraph 2 of the first paragraph of section 289.8.0.1” after “under subparagraph *b* of subparagraph 4 of the first paragraph of section 289.6 or 289.6.1”;

(b) by replacing “clause A of subparagraph ii” and “that clause A” by “subparagraph ii” and “that subparagraph ii”, respectively;

(c) by inserting “or paragraph *b* of subsection 8.01 of that section 172.1” after “Excise Tax Act (R.S.C. 1985, c. E-15)”;

(d) by inserting “or that paragraph *b*” before “if the pension entity were”;

(2) by replacing subparagraph 4 of the first paragraph by the following subparagraph:

“(4) for each particular claim period of the pension entity for which any part of an amount of deemed tax in respect of a particular supply is included in the determination of the pension entity’s pension rebate amount and for which an election under any of sections 402.18, 402.19 and 402.19.1 is made jointly by the pension entity and all participating employers of the pension plan that are, for the calendar year that includes the last day of that claim period, qualifying employers of the pension plan, each of those participating employers shall add, in determining its net tax for its reporting period that includes the day that is the later of the day on which the tax adjustment note is issued and the day on which the election is filed with the Minister,

(a) except in the case described in subparagraph *b*, the amount determined by the formula

$$D \times E \times (B/C) \times (H/G), \text{ or}$$

(b) if the pension entity is a selected listed financial institution on the first day on which an amount of deemed tax is deemed to have been paid, the amount determined by the formula

$$D \times E \times (B/C) \times (H/I).";$$

(3) by adding the following subparagraph at the end of the second paragraph:

“(9) I is the value of A in the formula in the definition of “provincial pension rebate amount” in subsection 1 of section 261.01 of the Excise Tax Act, determined for the particular claim period, or, where applicable, the value A would have in that formula for the particular claim period if the pension entity were a selected listed financial institution for the purposes of that Act.”

(2) Subparagraphs *a*, *c* and *d* of paragraph 1 of subsection 1 have effect from 10 August 2022.

(3) Subparagraph *b* of paragraph 1 of subsection 1 has effect from 1 January 2013.

(4) Paragraphs 2 and 3 of subsection 1 apply in respect of a reporting period of a person for which the return under Chapter VIII of Title I of the Act is filed after 22 July 2016 or is to be filed under that Chapter on or before a day that is after 22 July 2016.

215. Sections 477.18.7 and 477.18.8 of the Act are amended by replacing “containing the information determined by the Minister” by “in the prescribed form containing prescribed information”.

216. (1) Section 677 of the Act is amended, in the first paragraph,

(1) by replacing “supply of a service is a prescribed supply” in subparagraph 7.2 by “services are prescribed services”;

(2) by inserting the following subparagraph after subparagraph 33.1.1:

“(33.1.2) determine, for the purposes of section 350.12.1, the prescribed property;”.

(2) Paragraph 2 of subsection 1 has effect from 5 February 2022.

REGULATION RESPECTING THE TAXATION ACT

217. (1) Section 1R1 of the Regulation respecting the Taxation Act (chapter I-3, r. 1) is replaced by the following section:

“**1R1.** For the purposes of the definition of “share” in section 1 of the Act, a prescribed cooperative means a cooperative incorporated under a statute of Québec, of another province or of Canada for the purpose of marketing

natural products belonging to or acquired from its members or customers, of carrying out any processing operation required for or related to that marketing, of purchasing supplies, equipment or essential household items for or to be sold to its members or customers or of providing services to them, that meets the following conditions:

(a) the statute under which it was incorporated, its charter, articles of association or by-laws or its contracts with its members or customers held out the prospect that payments would be made to them in proportion to patronage;

(b) none of the members, except other cooperatives, have more than one vote in the conduct of the corporation's affairs;

(c) at least 90% of the members are individuals, other cooperatives, or corporations or partnerships that carry on the business of farming; and

(d) at least 90% of its shares are held by members described in paragraph c or by trusts governed by registered education savings plans, registered retirement income funds, registered retirement savings plans or tax-free savings accounts, the annuitants, subscribers or holders under which are members described in that paragraph.”

(2) Subsection 1 has effect from 22 June 2023.

218. (1) Chapter VIII of Title XI of the Regulation, comprising sections 119.2R1 and 119.2R2, is repealed.

(2) Subsection 1 has effect from 22 June 2023.

219. (1) Section 143R2 of the Regulation is amended by replacing the first paragraph by the following paragraph:

“For the purposes of section 143 of the Act, the amount allowed for a taxation year in respect of taxes on income from mining operations of a taxpayer is the aggregate of all amounts each of which is

(a) an eligible tax referred to in the second paragraph that is paid or payable by the taxpayer

i. on the income of the taxpayer for the taxation year from mining operations, or

ii. on a non-Crown royalty included in computing the income of the taxpayer for the taxation year;

(b) an eligible tax that is paid by the taxpayer in the taxation year on the income of the taxpayer for a preceding taxation year from mining operations or on a non-Crown royalty included in computing the income of the taxpayer for a preceding taxation year, if

i. the amount was deductible in computing the income of the taxpayer for the preceding taxation year,

ii. the amount has not been deducted in computing the income of the taxpayer for a taxation year preceding the taxation year, and

iii. an assessment of the taxpayer to take into account a deduction in respect of the eligible tax under the Act for the preceding taxation year may not be made because of sections 1010 to 1011 of the Act; or

(c) interest in respect of eligible tax referred to in subparagraph *a* or *b* that is paid in the taxation year by the taxpayer to the province imposing the eligible tax.”

(2) Subsection 1 applies to a taxation year that ends after 31 December 2007.

220. (1) The Regulation is amended by inserting the following section after section 359.4R1:

“**359.10R1.** For the purposes of the first paragraph of section 359.10 of the Act, the prescribed amount is equal to \$270.”

(2) Subsection 1 applies from 1 January 2025.

(3) In addition, the indexation rule established in the first paragraph of section 1 of the Act to limit the indexation of several government tariffs (chapter I-7.1) is not applicable to the tariff set by section 359.10R1 of the Regulation respecting the Taxation Act, enacted by subsection 1.

221. (1) Section 818R53 of the Regulation is amended

(1) by replacing “, income debenture, small business development bond or small business bond” in paragraph *a* of the definition of “equity property” by “or income debenture”;

(2) by replacing “, income debenture, small business development bond or small business bond” in paragraph *a* of the definition of “Canadian equity property” by “or income debenture”.

(2) Subsection 1 has effect from 22 June 2023.

222. (1) The Regulation is amended by inserting the following section after section 1079.1R4:

“**1079.3R1.** For the purposes of section 1079.3 of the Act, the prescribed amount is equal to \$270.”

(2) Subsection 1 applies from 1 January 2025.

(3) In addition, the indexation rule established in the first paragraph of section 1 of the Act to limit the indexation of several government tariffs (chapter I-7.1) is not applicable to the tariff set by section 1079.3R1 of the Regulation respecting the Taxation Act, enacted by subsection 1.

FINAL PROVISION

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

