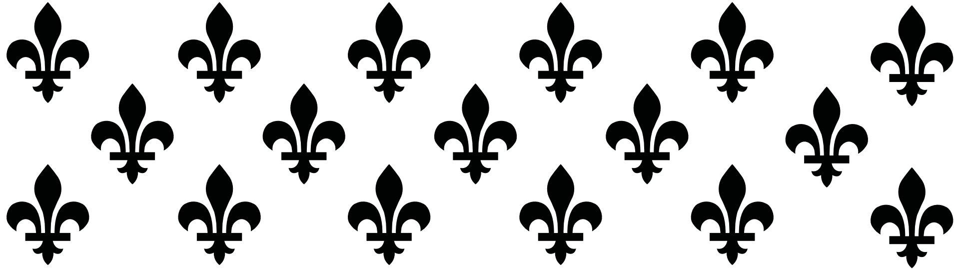

# NATIONAL ASSEMBLY OF QUÉBEC

FIRST SESSION FORTY-SECOND LEGISLATURE

Bill 90

(2021, chapter 18)

## An Act to amend the Taxation Act, the Act respecting the Québec sales tax and other provisions

**Introduced 4 May 2021**
**Passed in principle 25 May 2021**
**Passed 4 June 2021**
**Assented to 4 June 2021**

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## EXPLANATORY NOTES

*This Act amends various Acts to give effect mainly to fiscal measures announced in Information Bulletins published by the Ministère des Finances in 2019, 2020 and 2021. It also gives effect to two measures announced in the Budget Speeches delivered on 10 March 2020 and 25 March 2021.*

*For the purpose of introducing or modifying measures specific to Québec, the Act amends the Taxation Act and the Act respecting the sectoral parameters of certain fiscal measures to, in particular,*

*(1) relax the refundable tax credit for child care expenses and the deduction for goods and services to support a disabled person in respect of expenses incurred to take distance courses;*

*(2) allow specialized nurse practitioners to issue health certifications for the purposes of certain tax relief provisions;*

*(3) eliminate the refundable tax credits for holders of a taxi driver's or owner's permit;*

*(4) introduce the non-refundable tax credit to foster synergy between Québec businesses;*

*(5) extend the duration of the refundable tax credit to promote employment in the Gaspésie and certain maritime regions of Québec; and*

*(6) adjust the notions of government and non-government assistance for the purposes of certain tax incentives.*

*The Act amends, in particular, the Taxation Act and the Act respecting the Québec sales tax to make amendments similar to those made to the Income Tax Act and the Excise Tax Act mainly by federal bills assented to in 2018 and 2019. More specifically, the amendments deal with*

*(1) non-refundable tax credit for tuition fees and examination fees;*

*(2) depreciation rules applicable to zero-emission vehicles;*

*(3) Canadian development expenses and Canadian oil and gas property expenses;*

*(4) rules concerning the qualified donee status of registered journalism organizations; and*

*(5) non-partisan political activities of charities.*

*In addition, the Act amends the Tax Administration Act and the Act respecting the Québec sales tax to make amendments similar to those made to the Excise Tax Act by Bill C-30 (Statutes of Canada, 2021, chapter 23), assented to on 29 June 2021, in relation to digital products and cross-border services. The amendments are intended to ensure that the legislative provisions that concern the simplified QST registration and remittance system, applicable in respect of vendors not resident in Québec that do not carry on a business in Québec and of distribution platform operators, are harmonized with the federal legislation. The amendments are also intended to ensure that the QST is collected on the sale of corporeal movable property from outside Canada from a warehouse in Québec and on the supply of short-term accommodations situated in Québec that are rented through digital accommodation platforms.*

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

**LEGISLATION AMENDED BY THIS ACT:**

– Tax Administration Act (chapter A-6.002);

– Taxation Act (chapter I-3);

– Act respecting the sectoral parameters of certain fiscal measures (chapter P-5.1);

– Act respecting the Québec sales tax (chapter T-0.1);

– Act to amend the Taxation Act, the Act respecting the Québec sales tax and other legislative provisions (2019, chapter 14).

**REGULATIONS AMENDED BY THIS ACT:**

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

– Regulation respecting the Québec sales tax (chapter T-0.1, r. 2).

# Bill 90

## AN ACT TO AMEND THE TAXATION ACT, THE ACT RESPECTING THE QUÉBEC SALES TAX AND OTHER PROVISIONS

THE PARLIAMENT OF QUÉBEC ENACTS AS FOLLOWS:

TAX ADMINISTRATION ACT

**1.** (1) Section 34 of the Tax Administration Act (chapter A-6.002) is amended, in subsection 1,

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

"The registers and the supporting documents that support the information contained in the registers must be kept in the appropriate form and contain the information necessary to establish any amount that must be deducted, withheld, collected or paid under a fiscal law.";

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

"The Minister may determine the form the registers and supporting documents are to take, the information they must contain as well as any other terms and conditions and, where applicable, shall inform the person concerned of such requirements by means of a writing notified by registered mail or personal service which directs the person concerned to comply with them."

(2) Subsection 1 applies from 1 July 2021.

**2.** (1) Section 35.4 of the Act is amended by replacing "any further appeal has expired or until any further" in the portion before paragraph *a* by "an appeal has expired or until such".

(2) Subsection 1 has effect from 1 January 2021.

**3.** (1) Section 36.0.1 of the Act, replaced by section 5 of chapter 14 of the statutes of 2021, is amended by inserting "776.1.38," after "776.1.35," in the first paragraph.

(2) Subsection 1 has effect from 1 January 2021.

**4.** (1) The Act is amended by inserting the following sections after section 37.1.5:

"**37.1.6.** A person operating a digital accommodation platform who is required to render an account to the Minister under section 541.26 of the Act respecting the Québec sales tax (chapter T-0.1) shall send to the Minister by way of electronic filing the form referred to in that section, according to the terms and conditions determined by the Minister.

"**37.1.7.** The Minister may require a person that is required to file an information return under section 477.18.7 or 477.18.8 of the Act respecting the Québec sales tax (chapter T-0.1) to file that return with the Minister by way of electronic filing according to the terms and conditions determined by the Minister."

(2) Subsection 1, where it enacts section 37.1.6 of the Act, has effect from 1 January 2020.

(3) Subsection 1, where it enacts section 37.1.7 of the Act, applies from 1 July 2021.

**5.** (1) Section 60.4 of the Act is amended by replacing ", any of sections 541.25 to 541.28 and 541.30, the fourth paragraph of section 541.31.1 or section 541.32" by "or any of sections 541.25 to 541.28, 541.30 and 541.32".

(2) Subsection 1 has effect from 1 January 2020.

**6.** Section 64 of the Act is amended by replacing "or in section 1049 or 1049.0.5 of the Taxation Act (chapter I-3)" by ", in section 1049 or 1049.0.5 of the Taxation Act (chapter I-3) or in section 477.19 of the Act respecting the Québec sales tax (chapter T-0.1)".

**7.** (1) Section 69.0.0.1 of the Act is amended by adding the following paragraph at the end:

"In the case of a person that is registered under Division II of Chapter VIII.1 of Title I of the Act respecting the Québec sales tax (chapter T-0.1) or ceases to be so registered, the effective date of the registration and the date on which the person ceases to be registered are also public information."

(2) Subsection 1 applies from 1 July 2021.

**8.** (1) Section 91.1 of the Act is amended by replacing "37.1.5" in the first paragraph by "37.1.6".

(2) Subsection 1 has effect from 1 January 2020.

**9.** (1) Section 93.1.10.1 of the Act is amended

(1) by inserting "a registered journalism organization," after "a registered charity," in subparagraph *a* of the first paragraph;

(2) by inserting ""registered journalism organization"," after ""registered charity"," in the third paragraph.

(2) Subsection 1 has effect from 1 January 2020.

**10.** (1) Section 93.2.1 of the Act is amended, in the French text,

(1) by replacing "introduite" in the first paragraph by "déposée";

(2) by replacing "introduire" in the second paragraph by "déposer".

(2) Subsection 1 has effect from 1 January 2021.

**11.** Section 93.33 of the Act is amended by replacing "or in any contestation filed under section 93.1.10" in the second paragraph by ", in any contestation filed under section 93.1.10 or in any appeal brought under section 93.1.23".

TAXATION ACT

**12.** (1) Section 1 of the Taxation Act (chapter I-3), amended by section 15 of chapter 14 of the statutes of 2021, is again amended

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

""registered journalism organization", at any time, means a journalism organization that is deemed, at that time, to be registered as such with the Minister in accordance with section 985.26.1 and whose registration is in force;";

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

""zero-emission vehicle", of a taxpayer, means a motor vehicle that

(*a*) is a plug-in hybrid vehicle that meets prescribed conditions or is fully

i. electric, or

ii. powered by hydrogen;

(*b*) is acquired, and becomes available for use, by the taxpayer after 18 March 2019 and before 1 January 2028;

(*c*) has not been used, or acquired for use, for any purpose before it was acquired by the taxpayer; and

(*d*) is not a vehicle in respect of which

i. the taxpayer has, at a particular time, made a prescribed election,

ii. an amount of assistance has been paid by the Government of Canada under a prescribed program, or

iii. an amount has been deducted by another person or partnership under paragraph *a* of section 130 or the second paragraph of section 130.1.";

(3) by replacing the definition of "passenger vehicle" by the following definition:

""passenger vehicle" means

(*a*) an automobile acquired after 17 June 1987, other than an automobile that is acquired after that date pursuant to an obligation in writing entered into before 18 June 1987 or that is a zero-emission vehicle; or

(*b*) an automobile leased under a lease entered into, extended or renewed after 17 June 1987;";

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

""zero-emission passenger vehicle", of a taxpayer, means an automobile of the taxpayer that is included in Class 54 in Schedule B to the Regulation respecting the Taxation Act (chapter I-3, r. 1);".

(2) Paragraph 1 of subsection 1 has effect from 1 January 2020.

(3) Paragraphs 2 to 4 of subsection 1 have effect from 19 March 2019.

**13.** Section 21.1 of the Act, amended by section 17 of chapter 14 of the statutes of 2021, is again amended

(1) by replacing the first and second paragraphs by the following paragraphs:

"Sections 21.2 to 21.3.1 apply in respect of the control of a corporation for the purposes of paragraph *a* of section 21.0.6, sections 21.2 to 21.3.3, 308.0.1 to 308.6, 384, 418.26 to 418.30, 564.4, 564.4.1, 711.2, 736.0.4 and 737.18.9.2, subparagraph 2 of subparagraph i of subparagraph *b* of the second paragraph of section 771.8.5, subparagraphs *d* to *f* of the first paragraph of section 771.13, paragraph *f* of section 772.13, sections 776.1.12 and 776.1.13, subparagraph iv of paragraph *b* of the definition of "specified corporation" in the first paragraph of section 1029.8.36.0.17, subparagraph *b* of the first paragraph of sections 1029.8.36.0.21.2, 1029.8.36.0.22.1 and 1029.8.36.0.25.2 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.

Subject to section 21.3.7, sections 21.3.2 and 21.3.3 apply in respect of the control of a corporation for the purposes of section 737.18.9.2, subparagraph 2 of subparagraph i of subparagraph *b* of the second paragraph of section 771.8.5, subparagraphs *d* to *f* of the first paragraph of section 771.13, subparagraph iv of paragraph *b* of the definition of "specified corporation" in the first paragraph of section 1029.8.36.0.17 and subparagraph *b* of the first paragraph of sections 1029.8.36.0.21.2, 1029.8.36.0.22.1 and 1029.8.36.0.25.2.";

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

"Section 21.4.1 applies in respect of the control of a corporation for the purposes of sections 6.2 and 21.0.1 to 21.0.4, paragraph *b* of the definition of "investment fund" in section 21.0.5, paragraph *a* of section 21.0.6, paragraphs *c* and *d* of section 21.0.7, the fifth paragraph of section 21.3.1, sections 83.0.3, 93.4, 222 to 230.0.0.2, 308.1, 384, 384.4, 384.5, 418.26 to 418.30 and 485 to 485.18, paragraph *d* of section 485.42, subparagraph *d* of the third paragraph of section 559, sections 560.1.2, 564.4, 564.4.1, 727 to 737 and 737.18.9.2, subparagraph 2 of subparagraph i of subparagraph *b* of the second paragraph of section 771.8.5, subparagraphs *d* to *f* of the first paragraph of section 771.13, paragraph *f* of section 772.13, sections 776.1.12 and 776.1.13, subparagraph iv of paragraph *b* of the definition of "specified corporation" in the first paragraph of section 1029.8.36.0.17, subparagraph *b* of the first paragraph of sections 1029.8.36.0.21.2, 1029.8.36.0.22.1 and 1029.8.36.0.25.2 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."

**14.** Section 21.4.1 of the Act, amended by section 19 of chapter 14 of the statutes of 2021, is again amended by replacing paragraph *b* by the following paragraph:

"(*b*) to avoid the application of Chapter IV.1, any of sections 21.0.6, 83.0.3, 93.4, 225, 308.1, 384.4, 384.5, 560.1.2, 736, 736.0.2, 736.0.3.1 and 737.18.9.2, subparagraph 2 of subparagraph i of subparagraph *b* of the second paragraph of section 771.8.5, any of subparagraphs *d* to *f* of the first paragraph of section 771.13, section 776.1.12 or 776.1.13, subparagraph iv of paragraph *b* of the definition of "specified corporation" in the first paragraph of section 1029.8.36.0.17, subparagraph *b* of the first paragraph of any of sections 1029.8.36.0.21.2, 1029.8.36.0.22.1 and 1029.8.36.0.25.2 or 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, 1029.8.36.171.4 and 1137.8; or".

**15.** Section 21.20.10 of the Act is repealed.

**16.** (1) Section 21.28 of the Act is amended

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

""specified securities lending arrangement" means an arrangement, other than a securities lending arrangement, under which

(*a*) a particular person (in this definition referred to as a "transferor") transfers or lends at a particular time a property to another person (in this definition referred to as a "transferee") and the property is

i. a share described in paragraph *a* of the definition of "qualified security", or

ii. a property in respect of which the following conditions are met:

(1) the property is an interest in a partnership or an interest as a beneficiary under a trust, and

(2) all or part of its fair market value, immediately before the particular time, is derived, directly or indirectly, from a share described in subparagraph i;

(*b*) at the particular time, it may reasonably be expected that the transferee—or a person that does not deal at arm's length with, or is affiliated with, the transferee—will, after that time, transfer or return to the transferor—or a person that does not deal at arm's length with, or is affiliated with, the transferor (in this definition referred to as a "substitute transferor")—a property that is identical or substantially identical to the property transferred or lent by the transferor at the particular time; and

(*c*) the transferor's (together with any substitute transferor's) opportunity for gain or profit or risk of loss with respect to the property is not changed in any material respect;";

(2) by replacing the definition of "securities lending arrangement compensation payment" or "SLA compensation payment" by the following definition:

"“SLA compensation payment”, being a securities lending arrangement compensation payment, means an amount paid pursuant to

(*a*) a securities lending arrangement as compensation for an underlying payment; or

(*b*) a specified securities lending arrangement as compensation for an underlying payment, including, if the property transferred or lent is described in subparagraph ii of paragraph *a* of the definition of "specified securities lending arrangement", as compensation for a taxable dividend paid on a share described in subparagraph i of paragraph *a* of that definition;".

(2) Subsection 1 applies to an amount paid or payable, or received or receivable, after 26 February 2018 as compensation for a dividend. However, subsection 1 does not apply to an amount paid or payable, or received or receivable, before 1 October 2018 as compensation for a dividend pursuant to a written arrangement entered into before 27 February 2018.

**17.** (1) Section 21.32 of the Act is amended by replacing subparagraph *b* of the fourth paragraph by the following subparagraph:

"(*b*) by a person under an arrangement where it may reasonably be considered that one of the main reasons for the person entering into the arrangement was to enable the person to receive an SLA compensation payment pursuant to a securities lending arrangement, or a dealer compensation payment, that would be deductible in computing the person's taxable income, or not included in computing the person's income, for any taxation year."

(2) Subsection 1 applies to an amount paid or payable, or received or receivable, after 26 February 2018 as compensation for a dividend. However, subsection 1 does not apply to an amount paid or payable, or received or receivable, before 1 October 2018 as compensation for a dividend pursuant to a written arrangement entered into before 27 February 2018.

**18.** (1) Section 21.33 of the Act is amended by replacing paragraph *a* by the following paragraph:

"(*a*) if the taxpayer is a registered securities dealer and the particular amount is deemed under section 21.32 to have been received as a taxable dividend, no more than 2/3 of the particular amount, unless the particular amount is an amount the taxpayer may deduct in computing income under section 21.33.1; or".

(2) Subsection 1 applies to an amount paid or payable, or received or receivable, after 26 February 2018 as compensation for a dividend. However, subsection 1 does not apply to an amount paid or payable, or received or receivable, before 1 October 2018 as compensation for a dividend pursuant to a written arrangement entered into before 27 February 2018.

**19.** (1) Section 21.33.1 of the Act is amended by striking out "Notwithstanding section 21.33," in the portion before paragraph *a*.

(2) Subsection 1 applies to an amount paid or payable, or received or receivable, after 26 February 2018 as compensation for a dividend. However, subsection 1 does not apply to an amount paid or payable, or received or receivable, before 1 October 2018 as compensation for a dividend pursuant to a written arrangement entered into before 27 February 2018.

**20.** (1) Section 21.36 of the Act is amended by inserting ", a zero-emission passenger vehicle" after "passenger vehicle".

(2) Subsection 1 has effect from 19 March 2019.

**21.** (1) Section 21.36.1 of the Act is amended by inserting ", a zero-emission passenger vehicle" after "passenger vehicle".

(2) Subsection 1 has effect from 19 March 2019.

**22.** (1) Section 87 of the Act, amended by section 26 of chapter 14 of the statutes of 2021, is again amended by inserting the following paragraph after paragraph *d*.1:

"(*d*.2) any amount deducted under section 150.2 as a reserve in computing the taxpayer's income for the preceding taxation year;".

(2) Subsection 1 applies in respect of a bond issued after 31 December 2000.

**23.** (1) Section 99 of the Act is amended

(1) by replacing subparagraph i.1 of paragraph *d* by the following subparagraph:

"i.1. for greater certainty, where the property is a passenger vehicle in respect of which paragraph *d*.3 or *d*.4 applies or a zero-emission passenger vehicle in respect of which paragraph *d*.5 applies, the capital cost established under subparagraph i must in no case be greater than the proportion referred to in that subparagraph i of the capital cost of the property established under paragraph *d*.3, *d*.4 or *d*.5, as the case may be;";

(2) by inserting the following paragraph after paragraph *d*.4:

"(*d*.5) where the cost to a taxpayer of a zero-emission passenger vehicle exceeds the prescribed amount, the following rules apply:

i. the capital cost to the taxpayer of the vehicle is deemed to be equal to the prescribed amount, and

ii. for the purposes of subparagraph *c* of the second paragraph of section 93, the proceeds of disposition of the vehicle are deemed to be equal to the amount determined under section 99.2;".

(2) Subsection 1 has effect from 19 March 2019.

**24.** (1) The Act is amended by inserting the following section after section 99.1:

"**99.2.** The amount to which subparagraph ii of paragraph *d*.5 of section 99 refers in respect of a zero-emission passenger vehicle of a taxpayer is equal to the amount determined by the formula

$A \times B/C$.

In the formula in the first paragraph,

(*a*) A is the amount that would, in the absence of subparagraph ii of paragraph *d*.5 of section 99, be the proceeds of disposition of the vehicle;

(*b*) B is

i. where the vehicle is disposed of to a person or partnership with which the taxpayer deals at arm's length, the capital cost to the taxpayer of the vehicle, and

ii. in any other case, the cost to the taxpayer of the vehicle; and

(*c*) C is the cost to the taxpayer of the vehicle."

(2) Subsection 1 has effect from 19 March 2019.

**25.** (1) Section 112.3.1 of the Act is amended by striking out subparagraph *d* of the first paragraph.

(2) Subsection 1 has effect from 24 October 2012.

**26.** (1) The Act is amended by inserting the following section after section 112.3.1:

"**112.3.2.** If a corporation that is not resident in Canada (in this section referred to as the "original corporation") and that is governed by the laws of a foreign jurisdiction undergoes a division under those laws that results in all or part of its property and liabilities becoming the property and liabilities of one or more other corporations not resident in Canada (each of which is referred to in this section as a "new corporation") and, as a consequence of the division, a shareholder of the original corporation acquires one or more shares (in this section referred to as "new shares") of the capital stock of a new corporation at a particular time, the following rules apply:

(*a*) except to the extent that any of subparagraphs i to iii of subparagraph *a*.1 of the first paragraph of section 112 or subparagraph *b* of that first paragraph applies, without reference to this section, to the acquisition of the new shares

i. in the case where, for each class of shares of the capital stock of the original corporation of which shares are held by the shareholder immediately before the division, new shares are received at the particular time by shareholders of that class on a pro rata basis in respect of all the shares (in this section referred to as the "original shares") of that class, the following presumptions apply:

(1) at the particular time, the original corporation is deemed to have distributed, and the shareholder is deemed to have received, as a dividend in kind in respect of the original shares, the new shares acquired by the shareholder at that time, and

(2) the amount of the dividend in kind received by the shareholder in respect of an original share is deemed to be equal to the fair market value, immediately after the particular time, of the new shares acquired by the shareholder at the particular time in respect of the original share, and

ii. in any case where subparagraph i does not apply, the original corporation is deemed, at the particular time, to have conferred a benefit on the shareholder equal to the fair market value, at that time, of the new shares acquired by the shareholder as a consequence of the division;

(*b*) any gain or loss of the original corporation from a distribution of the new shares as a consequence of the division is deemed to be nil; and

(*c*) each property of the original corporation that becomes at any time property of the new corporation as a consequence of the division is deemed

i. to have been disposed of by the original corporation immediately before that time for proceeds of disposition equal to the property's fair market value, and

ii. to have been acquired by the new corporation at that time at a cost equal to the proceeds of disposition determined in accordance with subparagraph i."

(2) Subsection 1 applies in respect of a division that occurs after 23 October 2012.

**27.** Section 133.5 of the Act is amended by replacing the second paragraph by the following paragraph:

"For the purposes of the first paragraph, "performing artist" means an individual who is an artist within the meaning of the Act respecting the professional status and conditions of engagement of performing, recording and film artists (chapter S-32.1) and who is engaged in activities as a program host or who performs in a field that is, for the purposes of that Act, any of the following fields of artistic endeavour:

(*a*) the stage, including the theater, the opera, music, dance and variety entertainment;

(*b*) multimedia;

(*c*) the making of films;

(*d*) dubbing; or

(*e*) the recording of commercial advertisements."

**28.** (1) Section 142 of the Act is amended by replacing the first paragraph by the following paragraph:

"Where a taxpayer to whom an amount is owing as proceeds of disposition of depreciable property of a prescribed class of the taxpayer, other than a passenger vehicle to which paragraph *d*.3 of section 99 applies or a zero-emission passenger vehicle to which paragraph *d*.5 of section 99 applies,

establishes that the amount has become a bad debt in a taxation year, there may be deducted, in computing the taxpayer's income for the year, the lesser of the amount so owing to the taxpayer and the amount by which the capital cost to the taxpayer of that property exceeds the aggregate of the amounts realized by the taxpayer as proceeds of disposition."

(2) Subsection 1 has effect from 19 March 2019.

**29.** (1) The Act is amended by inserting the following section after section 142:

"**142.0.1.** Where a taxpayer to whom an amount is owing as proceeds of disposition of a zero-emission passenger vehicle to which paragraph *d*.5 of section 99 applies establishes that the amount has become a bad debt in a taxation year, there may be deducted, in computing the taxpayer's income for the year, the lesser of

(*a*) the amount that would be determined by the formula in the first paragraph of section 99.2 in respect of the disposition if the amount determined under subparagraph *a* of the second paragraph of that section were the amount owing to the taxpayer; and

(*b*) the amount by which the capital cost to the taxpayer of the vehicle exceeds the amount that would be determined by the formula in the first paragraph of section 99.2 in respect of the disposition if the amount determined under subparagraph *a* of the second paragraph of that section were the total amount realized by the taxpayer as proceeds of disposition."

(2) Subsection 1 has effect from 19 March 2019.

**30.** (1) The Act is amended by inserting the following section after section 150.1:

"**150.2.** In computing income for a taxation year, a taxpayer may deduct the undepreciated amount at the end of the taxation year in respect of the amount received in excess of the principal amount of a bond (in this section referred to as the "premium") which the taxpayer received as an issuer in the year, or a previous year, for issuing the bond (in this section referred to as the "new bond") if

(*a*) the terms of the new bond are identical to the terms of bonds previously issued by the taxpayer (in this section referred to as the "old bonds"), except for the date of issuance and total principal amount of the bonds;

(*b*) the old bonds were part of an issuance (in this section referred to as the "original issuance") of bonds by the taxpayer;

(*c*) the interest rate on the old bonds was reasonable at the time of the original issuance;

(*d*) the new bond is issued on the reopening of the original issuance;

(*e*) the amount of the premium at the time of issuance of the new bond is reasonable; and

(*f*) the amount of the premium has been included in computing the taxpayer's income for the year or a previous year."

(2) Subsection 1 applies in respect of a bond issued after 31 December 2000.

**31.** (1) Section 157.2.1 of the Act is amended by replacing "paragraph *a* of section 418.7" by "subparagraph *a* of the first paragraph of section 418.7".

(2) Subsection 1 has effect from 21 June 2019.

**32.** The Act is amended by inserting the following section after section 230.0.0.6:

"**230.0.0.7.** For the purposes of subparagraphs i, ii and iv of paragraph *d* of subsection 1 of section 222 and subparagraphs i and iii of paragraph *b* of section 230.0.0.2, an association, university, college, research institute or organization is considered to be recognized by the Minister where such entity qualifies as an eligible public research centre for the purposes of Division II.1 of Chapter III.1 of Title III of Book IX."

**33.** Section 261.4 of the Act is amended

(1) by replacing subparagraph i of paragraph *b* by the following subparagraph:

"i. subparagraph iii of subparagraph *a* of the second paragraph of section 444 applied,";

(2) by replacing subparagraph i of paragraph *c* by the following subparagraph:

"i. subparagraph iii of subparagraph *a* of the second paragraph of section 450 applied,".

**34.** (1) Section 333.9 of the Act is amended, in the first paragraph,

(1) by replacing subparagraph 1 of subparagraph ii of subparagraph *b* by the following subparagraph:

"(1) under which the vendor or the vendor's eligible corporation disposes of property (other than property to which subparagraph i or subparagraph 2 of this subparagraph ii applies) to the purchaser, or the purchaser's eligible corporation, for consideration that is received or receivable by the vendor, or the vendor's eligible corporation, as the case may be, or";

(2) by replacing subparagraph 1 of subparagraph ii of subparagraph *c* by the following subparagraph:

"(1) under which the vendor or the vendor's eligible corporation disposes of property (other than property to which subparagraph i or subparagraph 2 of this subparagraph ii applies) to the eligible individual, or the eligible individual's eligible corporation, for consideration that is received or receivable by the vendor, or the vendor's eligible corporation, as the case may be, or";

(3) by inserting "where applicable," before "a valid" in subparagraph *g*.

(2) Subsection 1 applies in respect of a restrictive covenant granted after 15 September 2016.

**35.** (1) Section 336 of the Act is amended

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

"(*d*) an amount described in any of paragraphs *a*, *c*, *c*.1 and *e* to *e*.6 of section 311 or in section 311.1 or 311.2, as that section read before being repealed, the amount of any pension, supplement or allowance paid under the Old Age Security Act (Revised Statutes of Canada, 1985, chapter O-9) or the amount of any benefit paid under the Act respecting the Québec Pension Plan (chapter R-9) or a similar plan within the meaning of that Act, received by an individual and included in computing the individual's income for the year or a preceding taxation year, to the extent of the amount repaid by the individual in the year otherwise than because of Part VII of the Unemployment Insurance Act (Revised Statutes of Canada, 1985, chapter U-1), Part VII of the Employment Insurance Act (Statutes of Canada, 1996, chapter 23), Part I.2 of the Income Tax Act (Revised Statutes of Canada, 1985, chapter 1, 5th Supplement) or section 8 of the Canada Recovery Benefits Act (Statutes of Canada, 2020, chapter 12, section 2), except if the tax, interest and penalties that may reasonably be attributed to that amount have been remitted under section 94.0.4 of the Tax Administration Act (chapter A-6.002);";

(2) by inserting the following paragraph after paragraph *d*.1:

"(*d*.1.0.1) any amount the taxpayer is required to pay on or before the taxpayer's balance-due day for the year as a benefit repayment under section 8 of the Canada Recovery Benefits Act, to the extent that the amount was not deductible in computing the taxpayer's income for any preceding taxation year;".

(2) Subsection 1 has effect from 27 September 2020.

**36.** (1) Section 358.0.1 of the Act is amended

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

"iv. the amount determined under the third paragraph, where the individual is attending a secondary school or taking a course offered by an educational institution referred to in section 358.0.2, as a student enrolled in an educational program;";

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

"i. was paid to enable the individual to perform the duties of an office or employment, to carry on a business either alone or as a partner actively engaged in the business, to carry on research or any similar work in respect of which the individual received a grant, or to attend a secondary school or take a course offered by an educational institution referred to in section 358.0.2, as a student enrolled in an educational program,";

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

"(*b*) the product obtained by multiplying $375 by the number of weeks in the year during which the individual attends the secondary school or takes a course offered by the educational institution; and".

(2) Subsection 1 applies in respect of an amount paid after 31 December 2019.

**37.** (1) Section 393.1 of the Act is amended by replacing paragraph *f* by the following paragraph:

"(*f*) subparagraph *b* of the first paragraph of section 418.7;".

(2) Subsection 1 has effect from 21 June 2019.

**38.** (1) The Act is amended by inserting the following section after section 412.1:

"**412.2.** In this chapter, an accelerated Canadian development expense of a taxpayer means any cost or expense incurred by the taxpayer in a taxation year, if

(*a*) the cost or expense qualifies as a Canadian development expense at the time it is incurred, other than

i. an expense in respect of which the taxpayer is a corporation referred to in section 418.19, and

ii. a cost in respect of a Canadian resource property acquired by the taxpayer, or a partnership of which the taxpayer is a member, from a person or partnership with whom or which the taxpayer does not deal at arm's length;

(*b*) the cost or expense is incurred after 20 November 2018 and before 1 January 2028, other than expenses deemed to have been incurred on 31 December 2027 because of the application of section 359.8; and

(*c*) where the Canadian development expense is deemed to be a Canadian development expense incurred by the taxpayer because of the application of paragraph *a* of section 359.5, the cost or expense is an amount renounced under an agreement entered into after 20 November 2018."

(2) Subsection 1 has effect from 21 June 2019.

**39.** (1) Section 413 of the Act is replaced by the following section:

"**413.** A development corporation carrying on an oil business may deduct, in computing its income for a taxation year, an amount not exceeding the aggregate of its cumulative Canadian development expenses incurred in Québec at the end of the year and the amount by which the aggregate determined under subparagraph i of paragraph *b* of section 418.31.1 in respect of the corporation for the year in relation to its cumulative Canadian development expenses incurred in Québec exceeds the amount that would be determined in respect of the corporation for the year under paragraph *e* of section 330 in relation to such expenses if the aggregate last referred to in that paragraph *e* were not taken into account, and an amount not exceeding the aggregate of

(*a*) the lesser of

i. the aggregate of its other cumulative Canadian development expenses at the end of the year and the amount by which the aggregate determined under subparagraph i of paragraph *b* of section 418.31.1 in respect of the corporation for the year in relation to its other cumulative Canadian development expenses exceeds the amount that would be determined in respect of the corporation for the year under paragraph *e* of section 330 in relation to such expenses if the aggregate last referred to in that paragraph *e* were not taken into account, and

ii. the amount by which the amount determined under subparagraph ii of subparagraph *a* of the first paragraph of section 418.7 exceeds the amount determined under subparagraph i of that subparagraph *a*;

(*b*) the lesser of

i. the amount by which the amount determined under subparagraph i of subparagraph *a* exceeds the amount determined under subparagraph ii of that subparagraph *a*, and

ii. the amount by which the aggregate of all amounts each of which is an amount included in computing its income for the year by reason of the disposition, in the year, of a property included in its inventory under section 419, and acquired by the corporation under circumstances described in paragraph *e* of section 395 or 408, or an amount included, in computing its income, under paragraph *e* of section 87 to the extent that such amount relates to that property, exceeds the aggregate of all amounts deducted as a reserve in computing its income for the year under section 153 to the extent that the reserve relates to such property;

(*c*) 30% of the amount by which the amount determined under subparagraph i of subparagraph *b* exceeds the amount determined under subparagraph ii of that subparagraph *b*; and

(*d*) the amount determined by the formula

$A \times (B - C)$.

Any other taxpayer may deduct, in computing income for a taxation year in respect of an oil business, an amount not exceeding the aggregate of the amounts that would be determined in respect of the taxpayer under subparagraphs *a* to *d* of the first paragraph, if no reference were made to "other" in subparagraph i of that subparagraph *a* and to ", other than Canadian development expenses incurred in Québec," in subparagraph *b* of the third paragraph and subparagraphs *a* to *c* of the fourth paragraph.

In the formula in subparagraph *d* of the first paragraph,

(*a*) A is

i. where the taxation year ends before 1 January 2024, 15%,

ii. where the taxation year begins before 1 January 2024 and ends after 31 December 2023, the amount determined by the formula

$15\% (D/E) + 7.5\% (F/E)$, and

iii. where the taxation year begins after 31 December 2023, 7.5%;

(*b*) B is the aggregate of all accelerated Canadian development expenses, other than Canadian development expenses incurred in Québec, incurred by the corporation in the taxation year; and

(*c*) C is the amount determined by the formula

$(G - H) - (I - J - K)$.

In the formulas in subparagraph ii of subparagraph *a* of the third paragraph and in subparagraph *c* of that paragraph,

(*a*) D is the aggregate of all accelerated Canadian development expenses, other than Canadian development expenses incurred in Québec, incurred by the corporation before 1 January 2024 and in the taxation year;

(*b*) E is the aggregate of all accelerated Canadian development expenses, other than Canadian development expenses incurred in Québec, incurred by the corporation in the taxation year;

(*c*) F is the aggregate of all accelerated Canadian development expenses, other than Canadian development expenses incurred in Québec, incurred by the corporation after 31 December 2023 and in the taxation year;

(*d*) G is the aggregate of the amounts referred to in paragraphs *a* to *j* of section 412 at the end of the taxation year;

(*e*) H is the aggregate of the amounts referred to in paragraphs *a* to *j* of section 412 at the beginning of the taxation year;

(*f*) I is the aggregate of the amounts referred to in paragraphs *a* to *d* of section 411 at the end of the taxation year;

(*g*) J is the aggregate of the amounts referred to in paragraphs *a* to *d* of section 411 at the end of the preceding taxation year; and

(*h*) K is the amount described in subparagraph *b* of the third paragraph."

(2) Subsection 1 has effect from 21 June 2019.

**40.** (1) Section 414 of the Act is amended, in the second paragraph,

(1) by replacing the portion before subparagraph i of subparagraph *b* by the following:

"Any other taxpayer may deduct in respect of a mining business, in computing income for a taxation year, the aggregate of the taxpayer's cumulative Canadian development expenses at the end of the year and the amount by which the aggregate determined under subparagraph i of paragraph *b* of section 418.31.1 in respect of the taxpayer for the year exceeds the amount that would be determined in respect of the taxpayer for the year under paragraph *e* of section 330 if the aggregate last referred to in that paragraph *e* were not taken into account, without exceeding the greater of

(*a*) the aggregate of the amounts that would be determined in respect of the taxpayer under subparagraphs *a* to *d* of the first paragraph of section 413, if no reference were made to "other" in subparagraph i of that subparagraph *a*

and to ", other than Canadian development expenses incurred in Québec," in subparagraph *b* of the third paragraph of that section and subparagraphs *a* to *c* of the fourth paragraph of that section; and

(*b*) the amount by which the total of the aggregate of all amounts deducted in computing the taxpayer's income for the year under section 357 in respect of a Canadian resource property or under section 358 and the aggregate of all amounts deducted for the year under section 88.4 of the Act respecting the application of the Taxation Act (chapter I-4), to the extent that that section refers to subsection 25 of section 29 of the Income Tax Application Rules (Revised Statutes of Canada, 1985, chapter 2, 5th Supplement), sections 418.16 to 418.19 and section 418.21, that can reasonably be attributed to the amounts referred to in subparagraphs i to iii for the year, is exceeded by the total, before any deduction under section 88.4 of the Act respecting the application of the Taxation Act or any of sections 359 to 419.6, of";

(2) by replacing subparagraph ii of subparagraph *b* by the following subparagraph:

"ii. the aggregate of the amounts included in computing the taxpayer's income for the year under any of paragraphs *b*, *d* and *e* of section 330, other than any of the amounts referred to in subparagraph iii, but to the extent that paragraph *b* of that section refers to section 357, only the amounts deducted in computing the taxpayer's income under that section 357 for the preceding taxation year in respect of a Canadian resource property may be taken into consideration, and".

(2) Subsection 1 has effect from 21 June 2019.

**41.** (1) Section 416 of the Act is replaced by the following section:

"**416.** For the purposes of section 413, Canadian development expenses and cumulative Canadian development expenses are incurred in Québec when they concern expenses that would be referred to in section 408 if "in Canada" were replaced wherever it appears in that section by "in Québec" and if paragraph *c* of section 408 applied only to a property which would be referred to in section 370 if "in Canada" were replaced wherever it appears in that section by "in Québec"."

(2) Subsection 1 has effect from 21 June 2019.

**42.** (1) The Act is amended by inserting the following section after section 418.6.2:

"**418.6.3.** In this chapter, an accelerated Canadian oil and gas property expense of a taxpayer means any cost or expense incurred by the taxpayer in a taxation year, if

(*a*) the cost or expense qualifies as a Canadian oil and gas property expense at the time it is incurred, other than

i. an expense in respect of which the taxpayer is a corporation referred to in section 418.21, and

ii. a cost in respect of a Canadian resource property acquired by the taxpayer, or a partnership of which the taxpayer is a member, from a person or partnership with whom or which the taxpayer does not deal at arm's length; and

(*b*) the cost or expense is incurred after 20 November 2018 and before 1 January 2028."

(2) Subsection 1 has effect from 21 June 2019.

**43.** (1) Section 418.7 of the Act is replaced by the following section:

"**418.7.** A taxpayer may deduct, in computing income for a taxation year, an amount not exceeding the aggregate of

(*a*) the lesser of

i. the aggregate of the taxpayer's cumulative Canadian oil and gas property expense at the end of the year and the amount by which the aggregate determined under subparagraph i of paragraph *c* of section 418.31.1 in respect of the taxpayer for the year exceeds the amount that would be determined in respect of the taxpayer for the year under section 418.12 if the aggregate last referred to in that section 418.12 were not taken into account, and

ii. the amount by which the aggregate of all amounts each of which is an amount included in computing the taxpayer's income for the year by reason of the disposition, in the year, of a property included in the taxpayer's inventory under section 419, and acquired by the taxpayer under circumstances described in paragraph *c* of section 418.2, or an amount included, in computing the taxpayer's income, under paragraph *e* of section 87 to the extent that such amount relates to that property, exceeds the aggregate of all amounts deducted as a reserve in computing the taxpayer's income for the year under section 153 to the extent that the reserve relates to such property;

(*b*) 10% of the amount by which the amount determined under subparagraph i of subparagraph *a* exceeds the amount determined under subparagraph ii of that subparagraph *a*; and

(*c*) the amount determined by the formula

$A \times (B - C)$.

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

(*a*) A is

i. where the taxation year ends before 1 January 2024, 5%,

ii. where the taxation year begins before 1 January 2024 and ends after 31 December 2023, the amount determined by the formula

5% (D/E) + 2.5% (F/E), and

iii. where the taxation year begins after 31 December 2023, 2.5%;

(*b*) B is the aggregate of all accelerated Canadian oil and gas property expenses incurred by the taxpayer in the taxation year; and

(*c*) C is the amount determined by the formula

(G – H) – (I – J – K).

In the formulas in subparagraph ii of subparagraph *a* of the second paragraph and in subparagraph *c* of that paragraph,

(*a*) D is the aggregate of all accelerated Canadian oil and gas property expenses incurred by the taxpayer before 1 January 2024 and in the taxation year;

(*b*) E is the aggregate of all accelerated Canadian oil and gas property expenses incurred by the taxpayer in the taxation year;

(*c*) F is the aggregate of all accelerated Canadian oil and gas property expenses incurred by the taxpayer after 31 December 2023 and in the taxation year;

(*d*) G is the aggregate of the amounts referred to in paragraphs *a* to *f* of section 418.6 at the end of the taxation year;

(*e*) H is the aggregate of the amounts referred to in paragraphs *a* to *f* of section 418.6 at the beginning of the taxation year;

(*f*) I is the aggregate of the amounts referred to in paragraphs *a* to *d* of section 418.5 at the end of the taxation year;

(*g*) J is the aggregate of the amounts referred to in paragraphs *a* to *d* of section 418.5 at the end of the preceding taxation year; and

(*h*) K is the amount described in subparagraph *b* of the second paragraph."

(2) Subsection 1 has effect from 21 June 2019.

**44.** (1) Section 421.5 of the Act is amended

(1) by replacing the portion before the formula in the first paragraph by the following:

"**421.5.** For the purposes of this Part, any interest paid or payable for a period by a person on borrowed money used to acquire a passenger vehicle or a zero-emission passenger vehicle or on an amount paid or payable for such an acquisition is deemed, in computing the income of the person for a taxation year, to be the lesser of the amount paid or payable and the amount determined by the formula";

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

"In the formula in the first paragraph,".

(2) Paragraph 1 of subsection 1 has effect from 19 March 2019.

**45.** (1) The Act is amended by inserting the following section after section 421.7:

"**421.7.1.** Where a person owns a zero-emission passenger vehicle jointly with one or more other persons, any reference in paragraph *d*.5 of section 99 to the prescribed amount and in section 421.5 to the amount of $250 or such other amount as may be prescribed for the purposes of section 421.5 is to be read as a reference to that proportion of each of those amounts that the fair market value of the first-mentioned person's right in the vehicle is of the fair market value of the rights in the vehicle of all those persons."

(2) Subsection 1 has effect from 19 March 2019.

**46.** Section 525.1 of the Act is amended by replacing the first paragraph by the following paragraph:

"Where section 518 applies in respect of the disposition of depreciable property of a prescribed class of a taxpayer that is a passenger vehicle to which paragraph *d*.3 of section 99 applies and the taxpayer and the corporation to which the property is disposed of do not deal with each other at arm's length, the amount referred to in section 521.2 in respect of the property or, where section 522 applies thereto, the amount agreed on in respect of the property in the prescribed form, is deemed to be equal to the undepreciated capital cost to the taxpayer of the class immediately before the disposition, minus, where applicable, the amount deducted by the taxpayer under paragraph *a* of section 130 in respect of the passenger vehicle in computing the taxpayer's income for the taxation year in which the passenger vehicle was disposed of by the taxpayer."

**47.** (1) The Act is amended by inserting the following section after section 525.1:

"**525.2.** Where section 518 applies in respect of the disposition of depreciable property of a prescribed class of a taxpayer that is a zero-emission passenger vehicle to which paragraph *d*.5 of section 99 applies and the taxpayer and the corporation to which the property is disposed of do not deal with each other at arm's length, the amount referred to in section 521.2 in respect of the property or, where section 522 applies thereto, the amount agreed on in respect of the property in the prescribed form, is deemed to be equal to the cost amount to the taxpayer of the vehicle immediately before the disposition.

However, for the purposes of section 41.0.1, the cost to the corporation of the vehicle is deemed to be an amount equal to its fair market value immediately before the disposition."

(2) Subsection 1 has effect from 19 March 2019.

**48.** (1) Section 614 of the Act is amended by replacing "section 525.1" in subparagraph i of subparagraph *a* of the second paragraph by "sections 525.1 and 525.2".

(2) Subsection 1 has effect from 19 March 2019.

**49.** Section 726.6 of the Act is amended by replacing "désigne" in the portion before subparagraph i of subparagraphs *a*.0.2 and *a*.5 of the first paragraph in the French text by ":".

**50.** Section 726.29 of the Act is amended by replacing subparagraph *a* of the fourth paragraph by the following subparagraph:

"(*a*) an amalgamation, within the meaning of section 544, an amalgamation by absorption, within the meaning of Division III of Chapter XXI of Title I of the Cooperatives Act (chapter C-67.2), or a winding-up of the cooperative or federation of cooperatives, if, as a consequence of the amalgamation or winding-up, the member receives from another cooperative or federation of cooperatives a new preferred share issued by the other cooperative or federation of cooperatives, as the case may be, to replace the preferred share so disposed of; and".

**51.** Section 728.0.1 of the Act is amended

(1) by replacing subparagraph ii of paragraph *a* by the following subparagraph:

"ii. the aggregate of the amounts deducted by the taxpayer in computing the taxpayer's taxable income for the year under sections 726.4.1, 726.4.3 to 726.4.7, 726.28 and 729, and Titles VI.5 and VI.5.1, or that the taxpayer could have so deducted for the year under section 726.4.3 if the taxpayer's income

had been sufficient for that purpose, and of the amounts deductible in computing the taxpayer's taxable income for the year under any of sections 725, 725.0.3, 725.1.1, 725.1.2, 725.2 to 725.5, 738 to 746 and 845, and";

(2) by replacing the portion of paragraph *b* before subparagraph i by the following:

"(*b*) the amount by which, for the year, in respect of the taxpayer, the total of the aggregate of the amounts determined under paragraphs *a* and *b* of section 28, the portion of the amount determined under section 737.0.1 that does not exceed the amount determined under any of paragraphs *b*, *c*, *c*.1, *c*.2 and *d*, as the case may be, of the definition of "additional investment expense" in section 336.5 and the aggregate of all amounts each of which is an amount the taxpayer is required to include in computing the taxpayer's taxable income under section 726.29, exceeds the aggregate of".

**52.** Section 733.0.4 of the Act is repealed.

**53.** (1) Section 740.4.2 of the Act is amended by striking out "because of the synthetic equity arrangement or a specified synthetic equity arrangement" in paragraph *b*.

(2) Subsection 1 applies in respect of a dividend that is paid or becomes payable after 26 February 2018.

**54.** (1) Section 740.4.3 of the Act is amended

(1) by replacing subparagraph ii of paragraph *a* by the following subparagraph:

"ii. all or substantially all of the counterparty's or affiliated counterparty's risk of loss and opportunity for gain or profit in respect of the share during the particular period referred to in section 740.4.2 has not been eliminated and cannot reasonably be expected by it to be eliminated;";

(2) by replacing subparagraph 2 of subparagraph iii of paragraph *b* by the following subparagraph:

"(2) all or substantially all of its risk of loss and opportunity for gain or profit in respect of the share during the particular period referred to in section 740.4.2 has not been eliminated and cannot reasonably be expected by it to be eliminated;";

(3) by replacing subparagraph 2 of subparagraph iii of paragraph *c* by the following subparagraph:

"(2) all or substantially all of its risk of loss and opportunity for gain or profit in respect of the share during the particular period referred to in section 740.4.2 has not been eliminated and cannot reasonably be expected by it to be eliminated; or".

(2) Subsection 1 applies in respect of a dividend that is paid or becomes payable after 26 February 2018.

**55.** (1) Section 740.4.4 of the Act is replaced by the following section:

"**740.4.4.** If, at a time during a particular period referred to in section 740.4.2, a counterparty, specified counterparty, affiliated counterparty or affiliated specified counterparty reasonably expects to become a tax-indifferent investor or, if it has provided a representation described in subparagraph ii of paragraph *a* of section 740.4.3 or subparagraph 2 of subparagraph iii of paragraph *b* or *c* of that section in respect of a share, that all or substantially all of its risk of loss and opportunity for gain or profit in respect of the share will be eliminated, the particular period for which it has provided a representation in respect of the share is deemed to end at that time."

(2) Subsection 1 applies in respect of a dividend that is paid or becomes payable after 26 February 2018.

**56.** (1) Section 752.0.11.1 of the Act, amended by section 88 of chapter 14 of the statutes of 2021, is again amended by replacing all occurrences of "un infirmier praticien spécialisé" in subparagraph i of paragraph *o*.7 and subparagraphs i and ii of paragraph *o*.9 in the French text by "une infirmière praticienne spécialisée".

(2) Subsection 1 has effect from 25 January 2021.

**57.** (1) Section 752.0.13.1 of the Act is amended by inserting "or a specialized nurse practitioner" after "physician" in the first paragraph.

(2) Subsection 1 has effect from 25 January 2021.

**58.** (1) Section 752.0.13.1.1 of the Act is amended by replacing the first paragraph by the following paragraph:

"An individual who moves from a former residence situated in Québec at which the individual ordinarily lived to a new residence, at which the individual ordinarily lives, situated in Québec not more than 80 kilometres from a health establishment situated in Québec so that a particular person referred to in section 752.0.13.2 may obtain, at that establishment, medical care not available in Québec within 200 kilometres of the locality in which the former residence of the individual is situated, may deduct from the individual's tax otherwise payable for a taxation year under this Part an amount equal to the amount obtained by multiplying 20% by the amount of the moving expenses referred to in the second paragraph paid in the year by the individual or the individual's legal representatives in respect of the move, if the individual files with the Minister the prescribed form whereon a physician or a specialized nurse practitioner certifies that the medical care may reasonably be expected to last at least six months and whereon that same health professional and the director general, or the director general's delegate in that respect, of a health establishment

that is in the area in which the former residence of the individual is situated certify that care equivalent or virtually equivalent to that obtained is not available in Québec within 200 kilometres of the locality where the former residence of the individual is situated.”

(2) Subsection 1 has effect from 25 January 2021.

**59.** (1) Section 752.0.14 of the Act is amended by replacing all occurrences of “un infirmier praticien spécialisé” in subparagraphs *b* and *b*.1 of the first paragraph in the French text by “une infirmière praticienne spécialisée”.

(2) Subsection 1 has effect from 25 January 2021.

**60.** (1) Section 752.0.17 of the Act is amended by inserting “or a specialized nurse practitioner” after “physician” in subparagraph ii of subparagraph *b* of the first paragraph.

(2) Subsection 1 has effect from 25 January 2021.

**61.** (1) Section 752.0.18 of the Act is amended by replacing “un infirmier praticien spécialisé” in the third paragraph in the French text by “une infirmière praticienne spécialisée”.

(2) Subsection 1 has effect from 25 January 2021.

**62.** (1) Section 752.0.18.10 of the Act is amended by replacing the portion of paragraph *a* before subparagraph i by the following:

“(*a*) the amount obtained by multiplying 8% by the amount by which the total of the amount deemed to have been paid by the individual under subsection 1 of section 122.91 of the Income Tax Act (Revised Statutes of Canada, 1985, chapter 1, 5th Supplement) for the year and the amount determined for the year under subparagraph *a* of the first paragraph of section 752.0.18.13.1 is exceeded by the aggregate of”.

(2) Subsection 1 has effect from 1 January 2019.

**63.** Section 766.3.3 of the Act is amended

(1) by replacing subparagraph 2 of subparagraph ii of paragraph *e* of the definition of “split income” in the first paragraph by the following subparagraph:

“(2) a property in respect of which the conditions of the third paragraph are met.”;

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

"The conditions to which subparagraph 2 of subparagraph ii of paragraph *e* of the definition of "split income" in the first paragraph refers in respect of a property are as follows:

(*a*) the property is an interest in a partnership, an interest as a beneficiary under a trust (other than a mutual fund trust or a trust described in section 851.25) or a debt obligation (other than a debt obligation described in subparagraph ii of paragraph *d* of the definition of "split income"); and

(*b*) either an amount is included, in respect of the property, in the individual's split income for the year or an earlier taxation year, or all or any part of the fair market value of the property, immediately before the disposition referred to in subparagraph 1 or 2 of subparagraph i of paragraph *e* of the definition of "split income", is derived, directly or indirectly, from a share described in subparagraph 1 of subparagraph ii of that paragraph *e*."

**64.** Section 771.2.1.2.2 of the Act, amended by section 92 of chapter 14 of the statutes of 2021, is again amended by replacing the third paragraph by the following paragraph:

"For the purposes of the first paragraph,

(*a*) where the number of days in the partnership's fiscal period is less than 365, the number of remunerated hours determined in respect of the partnership's employees in the fiscal period is deemed to be equal to the product obtained by multiplying that number otherwise determined by the proportion that 365 is of the number of days in the fiscal period; and

(*b*) where the period that begins on 15 March 2020 and ends on 29 June 2020 (in this subparagraph referred to as the "period of closure") is included, in whole or in part, in the partnership's fiscal period, the number of remunerated hours determined in respect of the partnership's employees in the fiscal period is deemed to be equal to the product obtained by multiplying that number, otherwise determined and without reference to subparagraph *a*, by the proportion that 365 is of the amount by which the number of days in the fiscal period exceeds the number of days in the period of closure that are included in the fiscal period."

**65.** (1) Section 772.2 of the Act is amended by replacing "776.1.35" in the definition of "tax otherwise payable" by "776.1.41".

(2) Subsection 1 has effect from 1 January 2021.

**66.** (1) Section 776.1.27 of the Act is amended by replacing the definition of “non-government assistance” by the following definition:

““non-government assistance” means an amount that would be included in computing a taxpayer’s income because of paragraph *w* of section 87, if that paragraph were read without reference to its subparagraphs i to iii and v, except a deduction under this Title in computing tax payable under this Part;”.

(2) Subsection 1 applies in respect of an amount of assistance granted after 6 November 2020.

**67.** (1) The Act is amended by inserting the following Title after section 776.1.35:

“**TITLE III.6**

“TAX CREDIT TO FOSTER SYNERGY BETWEEN QUÉBEC BUSINESSES

“**776.1.36.** In this Title,

“authorized investment certificate” held by a corporation means a certificate that was issued to the corporation for the purposes of this Title;

“eligible investment” of a qualified investor for a taxation year in a corporation in relation to an authorized investment certificate held by the corporation means the aggregate of all amounts each of which is an amount paid in the year to the corporation by the qualified investor for the acquisition, in the year, of a share of the capital stock of the corporation in relation to that certificate, where

(*a*) the share issued to the qualified investor, at the time of acquisition, is a common share having full voting rights under all circumstances;

(*b*) the share is acquired by the qualified investor as first purchaser;

(*c*) the share is fully paid-up, at the time of acquisition, for consideration in money equal to its fair market value at that time;

(*d*) the authorized investment certificate is valid at the time the share is issued;

(*e*) the qualified investor disposed of no other share of the capital stock of the corporation on the day the share was issued or in the 24 months preceding that day;

(*f*) the qualified investor and the corporation are dealing at arm’s length with each other at the time the share is issued;

(*g*) the qualified investor and the corporation are not associated with each other in the year; and

(*h*) the qualified investor neither disposed of nor exchanged the share in the year, except in the following cases:

i. bankruptcy or insolvency of the qualified investor or the corporation,

ii. unilateral redemption of the share by the corporation, or

iii. redemption of the share by the corporation at the qualified investor's request where the law confers on the qualified investor the right to demand that all its shares be redeemed;

"excluded investor" for a taxation year means

(*a*) a specified financial institution at any time in the year;

(*b*) an investment corporation for the year;

(*c*) a mortgage investment corporation for the year;

(*d*) a mutual fund corporation at any time in the year;

(*e*) a corporation whose principal business for the year is

i. the leasing, rental, development or sale of immovable property owned by it,

ii. the making of loans or investment of funds in the form of shares of the capital stock of other corporations, notes, hypothecary claims, mortgages, debentures, bills, bonds or other similar obligations, or

iii. any combination of the activities described in subparagraphs i and ii;

(*f*) a corporation that is exempt from tax for the year under Book VIII; or

(*g*) a corporation that would be exempt from tax for the year under section 985, but for section 192;

"qualified investor" for a taxation year means a corporation (other than an excluded investor for the year) that, in the year, carries on a business in Québec and has an establishment in Québec;

"unused portion of the tax credit" of a qualified investor for a taxation year means the amount by which the maximum amount that the qualified investor could deduct under section 776.1.38 for the year if it had sufficient tax payable under this Part for that year exceeds the tax payable by the qualified investor for the year under this Part, determined before the application of that section and of the second paragraph of section 776.1.39.

For the purposes of the definition of "eligible investment" in the first paragraph, the amount of a qualified investor's eligible investment for a taxation year in a corporation in relation to an authorized investment certificate may not be greater than the amount by which the lesser of the amount of the authorized investment specified in the authorized investment certificate of which the qualified investor obtained a copy in accordance with subparagraph *b* of the second paragraph of section 776.1.38 and the portion of such an amount that the corporation assigned to the qualified investor exceeds the amount of the qualified investor's eligible investment for a preceding taxation year in the corporation in relation to the authorized investment certificate.

"**776.1.37.** For the purposes of this Title and Part III.6.7, where a qualified investor has an eligible investment for a taxation year in a particular corporation in relation to an authorized investment certificate, the particular corporation is amalgamated with one or more other corporations, and the qualified investor receives a share of the capital stock of the corporation resulting from the amalgamation (in this section referred to as the "new share") in exchange for a share of the capital stock of the particular corporation that was acquired in connection with the eligible investment (in this section referred to as the "exchanged share"), the new share is deemed to be the same share as the exchanged share, provided the new share is a common share having full voting rights under all circumstances and the qualified investor receives no other consideration for the new share.

"**776.1.38.** A qualified investor for a taxation year that, on or before the day that is 12 months after the qualified investor's filing-due date for that year, encloses the documents described in the second paragraph with the fiscal return it is required to file under section 1000 for the year may deduct from its tax payable under this Part for that year, determined before the application of this section and of the second paragraph of section 776.1.39, an amount equal to 30% of the lesser of $750,000 and the aggregate of all amounts each of which is its eligible investment for the year in a corporation in relation to an authorized investment certificate.

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

(*a*) the prescribed form containing prescribed information;

(*b*) a copy of the authorized investment certificate relating to each of the qualified investor's eligible investments for the year in a corporation; and

(*c*) a written confirmation from the authorized representative of the corporation holding the authorized investment certificate referred to in subparagraph *b* specifying the amount received from the qualified investor for the issue of shares of the capital stock of the corporation in relation to the certificate, the issue date of the shares and the portion of the amount of the authorized investment specified in the certificate that was assigned by the corporation to the qualified investor.

“**776.1.39.** A qualified investor for a taxation year may deduct from its tax payable under this Part for the year, determined before the application of this Title, the unused portions of the tax credit of the qualified investor for the 20 taxation years that precede that taxation year.

Similarly, a qualified investor for a taxation year ending after 31 December 2020 may deduct from its tax payable under this Part for that taxation year, determined before the application of this paragraph, the unused portions of the tax credit of the qualified investor for the three taxation years that follow that taxation year.

“**776.1.40.** No amount is deductible under section 776.1.39 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 776.1.39 only to the extent that it exceeds the aggregate of the amounts deducted in its respect for the preceding taxation years under that section.

“**776.1.41.** For the purpose of computing the amount that a corporation may deduct under section 776.1.39 for a particular taxation year described in the second paragraph and a subsequent taxation year, in respect of the unused portion of the tax credit of the corporation for a taxation year preceding the particular taxation year, the unused portion of the tax credit of the corporation, otherwise determined, is to be reduced by the amount determined under the third paragraph where, in relation to an eligible investment that the corporation made in another corporation in the particular preceding year,

(*a*) the corporation and the other corporation are associated with each other in the particular year; or

(*b*) in the particular year, the corporation disposed of or exchanged a share of the capital stock of the other corporation acquired in connection with the eligible investment, otherwise than by reason of the corporation’s or the other corporation’s bankruptcy or insolvency, the unilateral redemption of the share by the other corporation, or the redemption of the share by the other corporation at the corporation’s request where the law confers on it the right to demand that all its shares be redeemed.

The particular taxation year to which the first paragraph refers is

(*a*) in the case provided for in subparagraph *a* of the first paragraph, a taxation year that begins in the 48-month period following the end of the taxation year in which a share was acquired in connection with the eligible investment; or

(*b*) in the case provided for in subparagraph *b* of the first paragraph, the taxation year that includes the day on which the corporation disposed of or exchanged the share, provided that day occurs in the 60-month period that begins on the day on which the share is issued.

The amount to which the first paragraph refers is the amount by which the maximum amount that the corporation could have deducted under section 776.1.38 for the particular preceding taxation year if it had had sufficient tax payable under this Part for that taxation year exceeds

(*a*) in the case provided for in subparagraph *a* of the first paragraph, the aggregate of

i. the maximum amount that the corporation could have deducted under section 776.1.38 for the particular preceding taxation year if it had had sufficient tax payable under this Part for that taxation year and if no reference were made to any particular eligible investment of the corporation in a corporation with which it becomes associated, under circumstances described in the first paragraph, at any time in the particular year, and

ii. any portion—that may reasonably be considered as relating to a particular eligible investment—of the aggregate of all amounts each of which is a tax that the corporation would be required to pay for the particular taxation year, or would have been required to pay for a preceding taxation year, if the amount determined under subparagraph *b* of the second paragraph of sections 1129.27.28 and 1129.27.29 were nil; or

(*b*) in the case provided for in subparagraph *b* of the first paragraph, the aggregate of

i. the maximum amount that the corporation could have deducted under section 776.1.38 for the particular preceding taxation year if it had had sufficient tax payable under this Part for that taxation year and if, for the purposes of the definition of "eligible investment" in the first paragraph of section 776.1.36 for the preceding taxation year, no reference were made to any amount paid for the acquisition of a share referred to in that subparagraph *b* of the capital stock of another corporation, unless section 1129.27.29 applies to the corporation for the particular taxation year or applied to the corporation for a taxation year preceding the particular year, and

ii. any portion—that may reasonably be considered as relating to an eligible investment for the particular preceding taxation year—of the aggregate of all amounts each of which is a tax that the corporation would be required to pay for the particular taxation year, or would have been required to pay for a preceding taxation year, if the amount determined under subparagraph *b* of the second paragraph of section 1129.27.28 were nil.

For the purpose of computing the amount that the corporation may deduct under section 776.1.39 for the particular taxation year in respect of the unused portion of the tax credit of the corporation for a taxation year other than the particular preceding taxation year, the corporation is deemed to have deducted under that section for the taxation years preceding the particular taxation year in respect of the unused portions of the tax credit of the corporation for the taxation years other than the particular preceding taxation year that are deductible for the particular taxation year, in addition to any other amount deducted or deemed to be deducted, an amount equal to the amount by which the amount determined under subparagraph *a* or *b* of the third paragraph, as the case may be, exceeds the amount by which the unused portion of the tax credit of the corporation for the particular preceding taxation year, determined before the application of this section, exceeds the aggregate of the amounts deducted by the corporation under section 776.1.39 for the taxation years preceding the particular taxation year in respect of the unused portion of the tax credit."

(2) Subsection 1 applies in respect of an eligible investment made after 31 December 2020.

**68.** (1) Section 776.41.21 of the Act is amended by replacing subparagraph i of subparagraph *a* of the second paragraph by the following subparagraph:

"i. for a taxation year subsequent to the taxation year 2013, the amount obtained by multiplying 8% by the amount by which the amount deemed to have been paid by the individual under subsection 1 of section 122.91 of the Income Tax Act (Revised Statutes of Canada, 1985, chapter 1, 5th Supplement) for the year is exceeded by the aggregate of all amounts each of which is either the amount of the person's tuition fees that are paid in respect of the year and referred to in subparagraph i of paragraph *a* of section 752.0.18.10 or the amount of the person's examination fees that are paid in respect of the year and referred to in any of subparagraphs ii to iv of that paragraph *a*, or".

(2) Subsection 1 has effect from 1 January 2019.

**69.** Section 851.30 of the Act is amended by replacing "à même" in the portion before the formula in the first paragraph in the French text by "sur".

**70.** (1) Section 851.31 of the Act is replaced by the following section:

"**851.31.** If, for a taxation year, a trust referred to in section 851.25, in respect of a congregation, makes the election referred to in the first paragraph of section 851.28, the following rules apply:

(*a*) the member of each family at the end of the taxation year (referred to as a "designated member" for the purposes of subsection 2 of section 143 of the Income Tax Act (Revised Statutes of Canada, 1985, chapter 1, 5th Supplement) in respect of the trust for the year) is deemed to have supported the other

members of the family during the year and the other members of the family are deemed to have been wholly dependent on the designated member for support during the year; and

(*b*) if the trust earns income from a business in the taxation year, the portion of the amount payable in the year to a particular participating member of the congregation out of the income of the trust under section 851.30 that can reasonably be considered to relate to that income from a business is deemed to be income from a business carried on by the particular participating member."

(2) Subsection 1 applies from the taxation year 2014.

**71.** (1) Section 905.0.3 of the Act is amended by replacing "un infirmier praticien spécialisé" in the portion of the definition of "année déterminée" in the first paragraph before paragraph *a* in the French text by "une infirmière praticienne spécialisée".

(2) Subsection 1 has effect from 25 January 2021.

**72.** (1) Section 905.0.4.1 of the Act is amended by replacing "un infirmier praticien spécialisé" and "l'infirmier praticien spécialisé" in the first paragraph in the French text by "une infirmière praticienne spécialisée" and "l'infirmière praticienne spécialisée", respectively.

(2) Subsection 1 has effect from 25 January 2021.

**73.** Section 961.17 of the Act is amended by striking out "separation" in the portion of subparagraph *b* of the second paragraph before subparagraph i.

**74.** Section 965.0.9 of the Act is amended by striking out "separation" in paragraph *b*.

**75.** Section 965.0.35 of the Act is amended by striking out "separation" in subparagraph ii of paragraph *b*.

**76.** (1) Section 985.1 of the Act is amended

(1) by inserting ", l'expression" after "chapitre" in the portion before paragraph *a* in the French text;

(2) by inserting the following paragraph before paragraph *a*:

"(0.*a*) "charitable activities" includes public policy dialogue and development activities carried on in furtherance of a charitable purpose;";

(3) by inserting the following paragraph after paragraph *c*:

"(*c*.1) "charitable purposes" includes the disbursement of funds to a qualified donee;";

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

"(*d*) "charitable foundation" means a corporation or trust, other than a charitable organization, constituted and operated exclusively for charitable purposes, if no part of the income of such corporation or trust is payable to, or is otherwise available for the personal benefit of, any proprietor, member, shareholder, trustee or settlor of the corporation or trust;".

(2) Paragraphs 1 and 2 of subsection 1 have effect from 14 September 2018, except in respect of an organization, corporation or trust that is a registered charity on 14 September 2018, in which case they have effect from 1 January 2008.

(3) Paragraphs 3 and 4 of subsection 1 have effect from 14 September 2018, except in respect of an organization, corporation or trust that is a registered charity on 14 September 2018, in which case they have effect from 29 June 2012.

**77.** (1) Section 985.1.2 of the Act is amended by inserting the following paragraph after paragraph *a*:

"(*a*.1) the organization is constituted and operated exclusively for charitable purposes;".

(2) Subsection 1 has effect from 14 September 2018, except in respect of an organization, corporation or trust that is a registered charity on 14 September 2018, in which case it has effect from 1 January 2008.

**78.** (1) Section 985.2 of the Act is amended by replacing paragraphs *b* to *d* by the following paragraphs:

"(*b*) in a taxation year, it disburses part of its income to qualified donees and the amount of such disbursement does not exceed 50% of its income for that year;

"(*c*) it disburses part of its income to a registered charity that is deemed to be a charity associated with it under section 985.3; or

"(*d*) it pays to a qualified donee an amount that is not paid out of the income of the charitable organization."

(2) Subsection 1 has effect from 14 September 2018, except in respect of an organization, corporation or trust that is a registered charity on 14 September 2018, in which case it has effect from 29 June 2012.

**79.** (1) Sections 985.2.1 to 985.2.4 of the Act are replaced by the following sections:

"**985.2.1.** For the purposes of paragraph *b* of sections 985.6 and 985.7, subparagraph *b* of the first paragraph of section 985.8 and section 985.21, a designated gift is deemed to be neither an amount expended in a taxation year on charitable activities nor a gift made to a qualified donee.

“**985.2.2.** The Minister may, on application made to the Minister in prescribed form by a registered charity, specify an amount in respect of the charity for a taxation year and, for the purposes of paragraph *b* of sections 985.6 and 985.7 and subparagraph *b* of the first paragraph of section 985.8, that amount is deemed to be an amount expended by the charity in the year on charitable activities carried on by it.

“**985.2.3.** For the purposes of paragraph *d* of section 985.1, where a corporation or trust devotes any part of its resources to the direct or indirect support of, or opposition to, any political party or candidate for public office, it is deemed not to be constituted and operated exclusively for charitable purposes.

“**985.2.4.** For the purposes of paragraph *g* of section 985.1, where an organization devotes any part of its resources to the direct or indirect support of, or opposition to, any political party or candidate for public office, it is deemed not to be constituted and operated exclusively for charitable purposes.”

(2) Subsection 1, where it replaces sections 985.2.1, 985.2.3 and 985.2.4 of the Act, has effect from 14 September 2018, except in respect of an organization, corporation or trust that is a registered charity on 14 September 2018, in which case it has effect from 1 January 2008.

**80.** (1) Section 985.2.5 of the Act is repealed.

(2) Subsection 1 has effect from 14 September 2018, except in respect of an organization, corporation or trust that is a registered charity on 14 September 2018, in which case it has effect from 29 June 2012.

**81.** (1) The Act is amended by inserting the following section after section 985.2.5:

“**985.2.6.** Subject to sections 985.2.3 and 985.2.4, public policy dialogue and development activities carried on by an organization, corporation or trust in support of its stated purposes are deemed to be carried on exclusively in furtherance of those purposes.”

(2) Subsection 1 has effect from 14 September 2018, except in respect of an organization, corporation or trust that is a registered charity on 14 September 2018, in which case it has effect from 1 January 2008.

**82.** Section 985.20 of the Act is replaced by the following section:

“**985.20.** Where a registered charity has expended a disbursement excess for a taxation year, the charity may, for the purpose of determining whether it complies with the requirements of paragraph *b* of section 985.6 or 985.7 or subparagraph *b* of the first paragraph of section 985.8, as the case may be, for the immediately preceding taxation year of the charity and five or less of its immediately subsequent taxation years, include, in computing the amounts

expended for charitable activities carried on by it and by way of gifts made by it to qualified donees, such portion of the disbursement excess for that taxation year as was not so included under this section for a previous taxation year."

**83.** (1) Section 985.23.5 of the Act is replaced by the following section:

"**985.23.5.** A Canadian amateur athletic association or a Québec amateur athletic association that devotes any part of its resources to the direct or indirect support of, or opposition to, any political party or candidate for public office is deemed not to devote that part of its resources to its exclusive purpose and exclusive function."

(2) Subsection 1 has effect from 14 September 2018, except in respect of an association that is a registered Canadian amateur athletic association or a registered Québec amateur athletic association on 14 September 2018, in which case it has effect from 1 January 2012.

**84.** (1) The Act is amended by inserting the following chapter after section 985.26:

"**CHAPTER III.2.1**

"REGISTERED JOURNALISM ORGANIZATIONS

"**985.26.1.** Subject to the Minister's power to revoke registration, a journalism organization validly registered as such under the Income Tax Act (Revised Statutes of Canada, 1985, chapter 1, 5th Supplement) is deemed to be also registered as such with the Minister.

"**985.26.2.** A registered journalism organization shall, within six months from the end of each of its taxation years and without notice or demand, file with the Minister an information return for the year in the prescribed form containing prescribed information.

"**985.26.3.** A registered journalism organization is exempt from tax."

(2) Subsection 1 has effect from 1 January 2020.

**85.** (1) Section 985.36 of the Act is amended by replacing the definition of "recognized political education organization" in the first paragraph by the following definition:

""recognized political education organization" means a non-profit organization recognized by the Minister, on the recommendation of the Minister Responsible for Democratic Institutions and Electoral Reform, as having the mission to promote Québec sovereignty or Canadian unity through educational means and whose recognition is in force, other than a registered charity or a political party or an authority of such a party;".

(2) Subsection 1 has effect from 19 August 2020.

**86.** (1) Section 999.2 of the Act is amended by inserting the following paragraph after paragraph *d*:

"(*d*.1) a registered journalism organization;".

(2) Subsection 1 has effect from 1 January 2020.

**87.** (1) Section 999.3 of the Act is amended, in the first paragraph,

(1) by inserting "or a registered journalism organization" after "municipality" in subparagraph *c*;

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

"(*d*) where the donee is a registered charity, a registered Canadian amateur athletic association or a registered Québec amateur athletic association, the donee devotes any part of its resources to the direct or indirect support of, or opposition to, any political party or candidate for public office;";

(3) by striking out subparagraphs *e* and *f*.

(2) Paragraph 1 of subsection 1 has effect from 1 January 2020.

(3) Paragraphs 2 and 3 of subsection 1 have effect from 14 September 2018, except in respect of an organization, corporation or trust that is a registered charity on 14 September 2018 and in respect of an association that is a registered Canadian amateur athletic association or a registered Québec amateur athletic association on that date, in which case they have effect from 29 June 2012.

**88.** (1) Section 999.3.1 of the Act is replaced by the following section:

"**999.3.1.** Where a registered charity, a registered Canadian amateur athletic association, a registered Québec amateur athletic association or a registered journalism organization fails to provide information in a prescribed form filed under section 985.22, 985.23.7 or 985.26.2, as the case may be, the Minister may give notice by registered mail to the charity, association or organization that its authority to issue a receipt in accordance with the regulations is suspended as of the eighth day that follows the day on which the notice is sent until such time as the Minister notifies the charity, association or organization that the Minister has received the required information in prescribed form."

(2) Subsection 1 has effect from 1 January 2020.

**89.** (1) Section 1012.1 of the Act, amended by section 119 of chapter 14 of the statutes of 2021, is again amended by inserting the following paragraph after paragraph *d*.1.0.0.3:

"(*d*.1.0.0.4) section 776.1.39 in respect of the unused portion of the tax credit, within the meaning of section 776.1.36, for a subsequent taxation year;".

(2) Subsection 1 has effect from 1 January 2021.

**90.** (1) The Act is amended by inserting the following section after section 1012.1.3:

"**1012.1.4.** 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*.1.0.0.4 of section 1012.1 relating to the unused portion of the tax credit, within the meaning of section 776.1.36, 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*.1.0.0.4 of section 1012.1, in respect of the unused portion of the tax credit, within the meaning of section 776.1.36, 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 day that is 12 months after the corporation's filing-due date for the subsequent taxation year, 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 has effect from 1 January 2021.

**91.** (1) Section 1029.6.0.0.1 of the Act, amended by section 121 of chapter 14 of the statutes of 2021, is again amended

(1) by replacing the definition of "non-government assistance" in the first paragraph by the following definition:

""non-government assistance" means an amount that would be included in computing a taxpayer's income because of paragraph *w* of section 87, if that paragraph were read without reference to its subparagraphs i to iii and v;";

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

"For the purposes of Divisions II.4 to II.6.0.8, II.6.0.9.1 to II.6.0.11, II.6.2, II.6.4.2.1, II.6.5, II.6.5.7 to II.6.5.9, II.6.6.6.1 to II.6.15 and II.23 to II.27, the following rules apply:";

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

"(*b*) in the case of each of Divisions II.4.2, II.5.1.1 to II.5.1.3, II.5.2, II.6.0.1.8, II.6.0.1.10, II.6.0.1.11, II.6.0.10, II.6.0.11, II.6.2, II.6.4.2.1, II.6.5, II.6.5.7 to II.6.5.9, II.6.6.6.1, II.6.6.6.2, II.6.14.3 to II.6.14.5 and II.27, government assistance or non-government assistance does not include an amount deemed to have been paid to the Minister for a taxation year under that division;";

(4) by inserting the following subparagraph after subparagraph *c* of the second paragraph:

"(*c*.1) in the case of Division II.6.0.0.1, 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. the amount of financial assistance granted by the Société de développement des entreprises culturelles;";

(5) by adding the following subparagraph at the end of subparagraph *e*.2 of the second paragraph:

"iii. the amount of financial assistance granted by the Société de développement des entreprises culturelles;";

(6) by replacing subparagraph iv of subparagraph *f* of the second paragraph by the following subparagraph:

"iv. the amount of financial assistance granted by the Société de développement des entreprises culturelles;";

(7) by replacing "to II.6.0.1.6" in the portion of subparagraph *h* of the second paragraph before subparagraph i by ", II.6.0.1.3";

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

"Subject to subparagraphs *c* to *f* of the second paragraph, government assistance includes the amount of any financial contribution in respect of a property that is a Québec film production, within the meaning of the first paragraph of section 1029.8.34, a qualified production, within the meaning of

the first paragraph of section 1029.8.36.0.0.1 or 1029.8.36.0.0.4, a qualified low-budget production, within the meaning of the first paragraph of section 1029.8.36.0.0.4, a qualified property, within the meaning of the first paragraph of section 1029.8.36.0.0.7, a qualified performance, within the meaning of the first paragraph of section 1029.8.36.0.0.10, an eligible work or an eligible group of works, within the meaning of the first paragraph of section 1029.8.36.0.0.13, that a corporation has received, is entitled to receive or may reasonably expect to receive from a government, municipality or other public authority, or a person or partnership that pays that contribution in circumstances where it is reasonable to conclude that the person or partnership would not have paid the contribution but for the amount that the person or partnership or another person or partnership received from a government, municipality or other public authority."

(2) Paragraph 1 of subsection 1 applies in respect of an amount of assistance granted after 6 November 2020.

(3) Paragraph 3 of subsection 1, where it strikes out "II.6.0.0.1" in subparagraph *b* of the second paragraph of section 1029.6.0.0.1 of the Act, and paragraphs 4 to 6 and 8 of subsection 1 apply in respect of an amount of assistance granted after 31 March 2020.

**92.** Section 1029.6.0.1 of the Act, amended by section 122 of chapter 14 of the statutes of 2021, is again amended by replacing subparagraphs *a* and *b* of the first paragraph by the following subparagraphs:

"(*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.4 of Book V, an amount deemed to have been paid by the taxpayer for the year under Division II.6.0.1.9;

"(*b*) where it may reasonably be considered that all or a portion of a consideration paid or payable by a person or partnership under a particular contract relates to a particular expenditure or to particular costs and that the person or a member of the partnership may, for a taxation year, be deemed to have paid an amount to the Minister under any of Divisions II to II.6.2, II.6.5, II.6.5.7 and II.6.14.2 to II.6.15, in respect of that expenditure or those costs, as the case may be, no amount may be deemed to have been paid to the Minister by another taxpayer for any taxation year under any of those divisions, or be

deemed to have been an overpayment to the Minister by another taxpayer under section 34.1.9 of the Act respecting the Régie de l'assurance maladie du Québec, in respect of all or part of a cost, an expenditure or costs incurred in performing the particular contract or any contract derived therefrom, that may reasonably be considered to relate to the particular expenditure or particular costs;".

**93.** Section 1029.6.0.1.2.1 of the Act is replaced by the following section:

"**1029.6.0.1.2.1.** For the purposes of subparagraphs *a* and *b* of the first paragraph of section 1029.6.0.1, a particular expenditure or particular costs, in respect of which a particular amount is or may be deemed under any of Divisions II to II.6.2, II.6.5, II.6.5.7 and II.6.14.2 to II.6.15 to have been paid to the Minister by a taxpayer, or by a person or a member of a partnership, as the case may be, for a taxation year, 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, include the aggregate of the expenditures and costs taken into account, or to be taken into account, as the case may be, in computing the amount used as a basis for computing the particular amount."

**94.** Section 1029.6.0.1.2.2 of the Act is amended

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

"i. by reason of subparagraph *b* of the first paragraph of section 1029.6.0.1, no amount may, in respect of all or part of a cost, an expenditure or costs that constitute only a portion of the initial expenditure (in this section referred to as the "portion not qualifying for a tax credit"), be deemed under any of Divisions II to II.6.2, II.6.5, II.6.5.7 and II.6.14.2 to II.6.15 to have been paid to the Minister by a taxpayer for a taxation year, or be 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, or";

(2) by replacing subparagraphs *b* and *c* of the first paragraph by the following subparagraphs:

"(*b*) but for this section and section 1029.6.0.1.2.3, a particular amount would be, in respect of the portion of the initial expenditure (in subparagraph *c* and the second paragraph referred to as the "portion qualifying for a tax credit") that, where applicable, exceeds the portion not qualifying for a tax credit thereof, deemed under any of Divisions II to II.6.2, II.6.5, II.6.5.7 and II.6.14.2 to II.6.15 to have been paid to the Minister by the taxpayer for the year, or deemed under section 34.1.9 of the Act respecting the Régie de l'assurance maladie du Québec to have been an overpayment to the Minister by the taxpayer; and

"(*c*) the portion qualifying for a tax credit of the initial expenditure is an expenditure in respect of which a particular maximum amount, which would correspond to a particular limit, in dollars, established on an annual, weekly

or hourly basis, or which, where applicable, would be obtained by multiplying, before the application of section 1029.6.0.1.2.3, that particular limit by a proportion or, successively, by more than one proportion, would be provided for by the division referred to in subparagraph *b* for the purpose of determining the amount used as a basis for computing the particular amount referred to in that subparagraph *b*.";

(3) by striking out "or Division II.6.0.1.6," in the second paragraph.

**95.** Section 1029.6.0.1.2.3 of the Act is amended

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

"(*b*) relate to an activity that is eligible, for the purposes, for the year, of any of Divisions II to II.6.2, II.6.5, II.6.5.7 and II.6.14.2 to II.6.15 in respect of the taxpayer, such division being in this section referred to as the "applicable division", and for the purposes, for any taxation year, of one or more other divisions among those divisions, each division then applicable, if any, being in this section referred to as the "applicable division", or of Division II.6.6.6.1 or II.6.6.6.2, in respect of the taxpayer;";

(2) by replacing subparagraphs *a* and *b* of the second paragraph by the following subparagraphs:

"(*a*) if a period is attributed for the purposes, in respect of the expenditure entitling to more than one tax credit, of that applicable division, the portion of that expenditure that does not relate to that period is not to be taken into account;

"(*b*) if no period is attributed for the purposes, in respect of the expenditure entitling to more than one tax credit, of that applicable division, no portion of that expenditure is to be taken into account; and";

(3) by replacing subparagraphs i and ii of subparagraph *c* of the second paragraph by the following subparagraphs:

"i. if the second paragraph of section 1029.6.0.1.2.2 applies for the purposes, in respect of the expenditure entitling to more than one tax credit or of part of that expenditure, of that applicable division, the product obtained by multiplying the maximum amount then determined under that second paragraph in relation to that division by the proportion, not exceeding 1, that the period that is attributed for the purposes, in respect of the expenditure entitling to more than one tax credit, of that division is of the part of the period to which the expenditure entitling to more than one tax credit is attributable that was considered as a numerator in the proportion referred to in that second paragraph in relation to that division, and

"ii. if subparagraph i does not apply, the product obtained by multiplying that maximum amount, otherwise determined, by the proportion that the period attributed for the purposes, in respect of the expenditure entitling to more than one tax credit, of that applicable division, is of the part of the period to which the expenditure entitling to more than one tax credit is attributable that may reasonably be considered, for the purposes of that division, as having been devoted to the activity referred to in subparagraph *b* of the first paragraph in relation to that expenditure."

**96.** Section 1029.6.0.1.2.4 of the Act is amended by replacing the portion before subparagraph *b* of the first paragraph by the following:

"**1029.6.0.1.2.4.** For the purposes of Divisions II.6.6.6.1 and II.6.6.6.2, the following rules apply:

(*a*) an expenditure, in respect of which no amount may, because of subparagraph *b* of the first paragraph of section 1029.6.0.1, be deemed under any of Divisions II to II.6.2, II.6.5 and II.6.14.2 to II.6.15 to have been paid to the Minister by a corporation for a taxation year, must, where it is a salary or wages paid by the corporation, be considered to be included in computing an expenditure in respect of which the corporation is deemed to have paid an amount to the Minister under this chapter for any taxation year;".

**97.** (1) Section 1029.6.0.1.7 of the Act, amended by section 123 of chapter 14 of the statutes of 2021, is again amended by replacing the portion before paragraph *a* by the following:

"**1029.6.0.1.7.** In determining, for the purposes of this chapter, whether a person or a group of persons controls a corporation, whether persons or partnerships are related to each other or are not dealing with each other at arm's length, whether a corporation or a partnership is associated with another corporation or partnership or whether a corporation is exempt from tax, the following rules apply:".

(2) Subsection 1 applies to a taxation year or fiscal period that ends after 26 March 2015.

**98.** Section 1029.6.0.1.8 of the Act is replaced by the following section:

"**1029.6.0.1.8.** For the purposes of Divisions II, II.1, II.2.1, II.3.0.1, II.6 to II.6.0.0.5, II.6.0.1.2 to II.6.0.2, II.6.2, II.6.5, II.6.6.6.1, II.6.6.6.2 and II.6.15 and for the purpose of determining the salaries or wages a person, a partnership or any other entity has incurred or paid in respect of the person's, partnership's or entity's employees for a particular period for particular activities or duties, the Minister may take into account the remuneration that would not otherwise be included in those salaries or wages that the person, partnership or entity has incurred or paid in respect of an employee while the employee was temporarily absent from the employee's employment for reasons the Minister considers reasonable."

**99.** Section 1029.6.0.1.8.1 of the Act is amended by striking out "1029.8.10, 1029.8.11," in the second paragraph.

**100.** (1) Section 1029.6.0.6 of the Act, amended by section 124 of chapter 14 of the statutes of 2021, is again amended by striking out subparagraph *n* of the fourth paragraph.

(2) Subsection 1 has effect from 31 December 2019.

**101.** (1) Section 1029.6.0.7 of the Act, amended by section 125 of chapter 14 of the statutes of 2021, is again amended by replacing "*c*, *k* and *n*" in the second paragraph by "*c* and *k*".

(2) Subsection 1 has effect from 2 June 2021. In addition, where section 1029.6.0.7 of the Act applies after 30 December 2019, the second paragraph of that section is to be read as if "*h*, *k* and *n*" were replaced by "*h* and *k*".

**102.** Section 1029.7 of the Act is amended by replacing subparagraph ii of subparagraph *b* of the third paragraph by the following subparagraph:

"ii. all or part of an amount that can reasonably be considered to be an expenditure in respect of scientific research and experimental development made in Québec by virtue of an agreement in respect of which section 1029.8.16.1.4 applies,".

**103.** Section 1029.8 of the Act is amended by replacing subparagraph ii of subparagraph *b* of the third paragraph by the following subparagraph:

"ii. all or part of an amount that can reasonably be considered to be an expenditure in respect of scientific research and experimental development made in Québec by virtue of an agreement in respect of which section 1029.8.16.1.5 applies,".

**104.** Section 1029.8.6 of the Act is amended by striking out the third paragraph.

**105.** Section 1029.8.7 of the Act is amended by striking out the third paragraph.

**106.** Division II.3 of Chapter III.1 of Title III of Book IX of Part I of the Act, comprising sections 1029.8.9.1 to 1029.8.16.1, is repealed.

**107.** Section 1029.8.18 of the Act is amended, in the first paragraph,

(1) by striking out "1029.8.10, 1029.8.11," in the portion before subparagraph *a* and by replacing "any of sections 1029.8.10, 1029.8.11, 1029.8.16.1.4 and" in subparagraph iv of subparagraph *c* by "section 1029.8.16.1.4 or";

(2) by striking out “, 1029.8.10” in subparagraph *a*;

(3) by striking out “, 1029.8.11” in the portion of subparagraph *b* before subparagraph i.

**108.** Section 1029.8.18.0.1 of the Act is amended by replacing the portion of the first paragraph before subparagraph i of subparagraph *b* by the following:

“**1029.8.18.0.1.** For the purpose of computing the amount that is deemed to have been paid to the Minister for a taxation year by a taxpayer pursuant to section 1029.8.16.1.4 or 1029.8.16.1.5, the following rules apply:

(*a*) the prescribed proxy amount included in the amount of the qualified expenditure referred to in section 1029.8.16.1.4 must be reduced, where applicable, by the amount of any contract payment, government assistance or non-government assistance that may reasonably be considered to be in respect of an expenditure, other than an expenditure referred to in subparagraph *c* of the first paragraph of section 230, that the taxpayer has received, is entitled to receive or can reasonably expect to receive on or before the taxpayer’s filing-due date for that taxation year; and

(*b*) the share of a taxpayer who is a member of a partnership of the prescribed proxy amount included in the amount of the qualified expenditure referred to in section 1029.8.16.1.5 must be reduced, where applicable,”.

**109.** Section 1029.8.18.1.3 of the Act is amended by striking out “, II.3” in the portion before paragraph *a*.

**110.** Section 1029.8.18.3 of the Act is amended by striking out “, II.3” in paragraph *a*.

**111.** Section 1029.8.19 of the Act is amended by striking out “1029.8.10, 1029.8.11,”.

**112.** Section 1029.8.19.1 of the Act is amended by striking out “1029.8.10, 1029.8.11,”.

**113.** Section 1029.8.19.2 of the Act is amended by striking out all occurrences of “1029.8.10, 1029.8.11,” in the first and seventh paragraphs.

**114.** Section 1029.8.19.3 of the Act is amended by striking out all occurrences of “1029.8.10, 1029.8.11,” in the first and third paragraphs.

**115.** Section 1029.8.19.6 of the Act is amended by replacing “in any of sections 1029.8.10, 1029.8.11, 1029.8.16.1.4 and” by “in section 1029.8.16.1.4 or”.

**116.** Section 1029.8.20 of the Act is amended by replacing “, 1029.8.9.0.3 and 1029.8.10” by “and 1029.8.9.0.3”.

**117.** Section 1029.8.21.1 of the Act is amended by striking out ", II.3".

**118.** Section 1029.8.21.3.1 of the Act is amended by striking out "1029.8.10, 1029.8.11,".

**119.** Divisions II.6.0.1.6 and II.6.0.1.7 of Chapter III.1 of Title III of Book IX of Part I of the Act, comprising sections 1029.8.36.0.3.46 to 1029.8.36.0.3.71, are repealed.

**120.** Section 1029.8.36.0.3.80 of the Act is amended by replacing subparagraph *a* of the sixth paragraph by the following subparagraph:

"(*a*) a corporation that is deemed to have paid an amount to the Minister on account of its tax payable for a taxation year preceding the particular year under Division II.6.0.1.6, as it read before being repealed, or Division II.6.0.1.8 or II.6.0.3 or that is deemed, under section 34.1.9 of the Act respecting the Régie de l'assurance maladie du Québec (chapter R-5), to have made an overpayment to the Minister for that preceding year for the purposes of Division I of Chapter IV of that Act; or".

**121.** Divisions II.6.0.4 to II.6.0.7 of Chapter III.1 of Title III of Book IX of Part I of the Act, comprising sections 1029.8.36.0.38 to 1029.8.36.0.92, are repealed.

**122.** Division II.6.4.2 of Chapter III.1 of Title III of Book IX of Part I of the Act, comprising sections 1029.8.36.53.10 to 1029.8.36.53.20, is repealed.

**123.** Division II.6.5.3 of Chapter III.1 of Title III of Book IX of Part I of the Act, comprising sections 1029.8.36.59.12 to 1029.8.36.59.20, is repealed.

**124.** Division II.6.5.6 of Chapter III.1 of Title III of Book IX of Part I of the Act, comprising sections 1029.8.36.59.35 to 1029.8.36.59.41, is repealed.

**125.** Divisions II.6.6.1 to II.6.6.6 of Chapter III.1 of Title III of Book IX of Part I of the Act, comprising sections 1029.8.36.72.1 to 1029.8.36.72.81, are repealed.

**126.** Section 1029.8.36.72.82.1 of the Act is amended

(1) by inserting "as they read before being repealed," after "II.6.6.6," in the portion of the definition of "eligibility period" in the first paragraph before paragraph *a*;

(2) by inserting "as they read before being repealed," after "II.6.6.6," in the third and fourth paragraphs;

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

"In the definition of "eligible repayment of assistance" in the first paragraph, a reference to any section of the repealed divisions of Chapter III.1 of Title III of Book IX is a reference to that section, as it read before being repealed."

**127.** (1) Section 1029.8.36.72.82.13 of the Act is amended

(1) by replacing the definition of "eligibility period" in the first paragraph by the following definition:

""eligibility period" of a corporation means, subject to the third paragraph, the period that begins on 1 January of the first calendar year referred to in the first unrevoked qualification certificate issued to the corporation or deemed obtained by it, in relation to a recognized business, for the purposes of this division or, if the recognized business is referred to in any of paragraphs *b* and *d* to *f* of the definition of "eligible region", for the purposes of Division II.6.6.4, as it read before being repealed, or Division II.6.6.6.1, and that ends on 31 December 2025;";

(2) by replacing the portion of the definition of "base period" in the first paragraph before paragraph *b* by the following:

""base period" of a corporation means, subject to the fourth paragraph, the calendar year that precedes the first calendar year covered by the first unrevoked qualification certificate issued to the corporation for the purposes of this division or, where an unrevoked qualification certificate has been obtained by the corporation for the purposes of Division II.6.6.4, as it read before being repealed, or Division II.6.6.6.1, in relation to a recognized business described in paragraph *a* or *c* of the definition of "eligible region" in the first paragraph of section 1029.8.36.72.82.1 or in paragraph *a*.1 or *e* of that definition, enacted, respectively, by subparagraphs i and ii of subparagraph *b*.1 of the seventh paragraph of section 1029.8.36.72.82.1, the earliest of the following calendar years that is before the first-mentioned calendar year:

(*a*) the calendar year that precedes the first calendar year covered by the first unrevoked qualification certificate issued to the corporation for the purposes of Division II.6.6.4, as it read before being repealed, or Division II.6.6.6.1, in relation to a recognized business described in any of paragraphs *a*, *b*, *c* and *d* of the definition of "eligible region" in the first paragraph of section 1029.8.36.72.82.1 or in paragraph *a*.1 or *e* of that definition, enacted, respectively, by subparagraphs i and ii of subparagraph *b*.1 of the seventh paragraph of section 1029.8.36.72.82.1;";

(3) by inserting "as it read before being repealed," after "II.6.6.4," in the fourth paragraph.

(2) Paragraph 1 of subsection 1, where it amends the definition of "eligibility period" in the first paragraph of section 1029.8.36.72.82.13 of the Act to replace "2020" by "2025", applies from the calendar year 2021.

**128.** Division II.6.6.7 of Chapter III.1 of Title III of Book IX of Part I of the Act, comprising sections 1029.8.36.72.83 to 1029.8.36.72.94, is repealed.

**129.** Section 1029.8.36.166.40 of the Act, amended by section 147 of chapter 14 of the statutes of 2021, is again amended by replacing the definition of "salary or wages" in the first paragraph by the following definition:

""salary or wages" in relation to a qualified corporation for a taxation year or a qualified partnership for a fiscal period means the aggregate of all amounts each of which is an amount (in the definitions of "manufacturing or processing salary or wages" and "metal manufacturing salary or wages" referred to as the "gross revenue" of an employee) incurred by the corporation in the taxation year or the partnership in the fiscal period, in respect of an employee of the corporation or partnership, as the case may be, and included in computing the employee's income under Chapters I and II of Title II of Book III, except, in the case of an employee of a corporation, a remuneration based on profits or a bonus, where the employee is a specified shareholder of the corporation in the taxation year;".

**130.** (1) Section 1029.8.61.1 of the Act, amended by section 152 of chapter 14 of the statutes of 2021, is again amended by inserting "or specialized nurse practitioner" after "physician" in the definition of "dependent person" in the first paragraph.

(2) Subsection 1 has effect from 25 January 2021.

**131.** (1) Section 1029.8.61.96.20 of the Act, enacted by section 154 of chapter 14 of the statutes of 2021, is amended by replacing all occurrences of "un infirmier praticien spécialisé" in subparagraphs i and ii of subparagraph *c* of the first paragraph in the French text by "une infirmière praticienne spécialisée".

(2) Subsection 1 has effect from 25 January 2021.

**132.** Section 1029.8.62 of the Act is amended, in the first paragraph,

(1) by replacing the definition of "qualifying certificate" by the following definition:

""qualifying certificate" in respect of the adoption of a person by an individual means a certificate of compliance with the Convention on Protection of Children and Co-operation in Respect of Intercountry Adoption issued by the competent authority of the State in which the adoption of the person by the individual took place, unless the Minister of Health and Social Services has

referred it to the Court of Québec under the second paragraph of section 9 of the Act to implement the Convention on Protection of Children and Co-operation in Respect of Intercountry Adoption (chapter M-35.1.3);";

(2) by replacing paragraph *b* of the definition of "qualifying judgment" by the following paragraph:

"(*b*) a judgment authorizing the adoption of the person by the individual, rendered by a court having jurisdiction in Québec."

**133.** (1) Section 1029.8.67 of the Act is amended

(1) by striking out "or a secondary school" in the definition of "qualified educational institution";

(2) by replacing subparagraph iv of paragraph *b* of the definition of "child care expense" by the following subparagraph:

"iv. to take a course offered by a qualified educational institution or attend a secondary school, where the individual or the individual's eligible spouse for the year is enrolled in an educational program of not less than three consecutive weeks' duration that provides that each student in the program spend not less than 10 hours per week on courses or work in the program or not less than 12 hours per month on courses in the program, as the case may be, or".

(2) Subsection 1 applies in respect of expenses incurred after 31 December 2019.

**134.** (1) Section 1029.8.126 of the Act is amended, in the first paragraph,

(1) by replacing the definition of "eligible beneficiary" by the following definition:

""eligible beneficiary" for a taxation year means a beneficiary who is 16 or 17 years of age at the end of the year and in respect of whom a CES grant has been paid for the year in relation to a contribution made in the year in respect of the beneficiary to a registered education savings plan;";

(2) by replacing the definition of "compte de subvention" in the French text by the following definition:

"« compte de subvention » a le sens que lui donne l'article 1 du Règlement canadien sur l'épargne-études, édicté en vertu de la Loi canadienne sur l'épargne-études;";

(3) by replacing the definition of "CLB account" by the following definition:

""CLB account" has the meaning assigned by section 1 of the Canada Education Savings Regulations made under the Canada Education Savings Act;";

(4) by replacing the definition of “amount of eligible contributions” by the following definition:

““amount of eligible contributions” in respect of a beneficiary under an education savings plan for a taxation year means the amount that is the aggregate of all contributions each of which is a contribution made to the plan in the year by or on behalf of a subscriber under the plan in respect of the beneficiary, provided that the contribution has not been withdrawn from the plan before the education savings incentive provided for in the first paragraph of section 1029.8.128 is paid for the year, and provided that the beneficiary is under 17 years of age at the end of the preceding year and, if the beneficiary is 16 or 17 years of age at the end of the year, that the beneficiary is an eligible beneficiary for the year;”.

(2) Paragraphs 2 and 3 of subsection 1 have effect from 7 December 2018.

(3) Paragraph 4 of subsection 1 has effect from 1 September 2019.

**135.** Section 1029.8.135 of the Act is amended by striking out “and after 20 February 2007” in the first paragraph.

**136.** (1) Section 1029.8.136 of the Act is amended, in the first paragraph,

(1) by striking out “and after 20 February 2007,” in the portion before subparagraph *a*;

(2) by striking out “, after 20 February 2007” in subparagraphs *a* and *b*;

(3) by replacing subparagraphs *c* and *d* by the following subparagraphs:

“(*c*) if the authorized transfer concerned a portion of the properties held by the trust governed by the transferor plan, other than properties included in a CLB account or in any account of assistance paid under a designated provincial program that meets the requirement of section 1029.8.137.1, and if the particular beneficiary is the only beneficiary under the transferee plan at the time of the transfer, the proportion of the aggregate of the contributions made in the year and before the time of the transfer, in respect of any beneficiary under the transferor plan, that, at the time of the transfer, the value of the properties transferred is of the value of all the properties held by the trust governed by the transferor plan, other than those included in a CLB account or in any account of assistance paid under a designated provincial program that meets the requirement of section 1029.8.137.1; and

“(*d*) if the authorized transfer concerned a portion of the properties held by the trust governed by the transferor plan, other than properties included in a CLB account or in any account of assistance paid under a designated provincial program that meets the requirement of section 1029.8.137.1, and if the transferee plan has more than one beneficiary at the time of the transfer, the particular beneficiary’s share, established according to the apportionment

provided for in the transferee plan, in the proportion of the aggregate of the contributions made in the year and before the time of the transfer, in respect of any beneficiary under the transferor plan, that, at the time of the transfer, the value of the properties transferred is of the value of all the properties held by the trust governed by the transferor plan, other than those included in a CLB account or in any account of assistance paid under a designated provincial program that meets the requirement of section 1029.8.137.1."

(2) Paragraph 3 of subsection 1 has effect from 1 September 2019. However, where section 1029.8.136 of the Act applies before 4 June 2021, it is to be read as if ", after 20 February 2007" were inserted after "in the year" in subparagraphs *c* and *d* of the first paragraph.

**137.** (1) Section 1029.8.137 of the Act is amended by replacing subparagraph *b* of the second paragraph by the following subparagraph:

"(*b*) if the authorized transfer is described in subparagraph *c* or *d* of the first paragraph of section 1029.8.136, the proportion of the aggregate of the amounts held, at the time of the authorized transfer, in the trust governed by the transferor plan on account of the education savings incentive, that, at the time of the transfer, the value of the properties transferred is of the value of all the properties held by the trust governed by the transferor plan, other than those included in a CLB account or in any account of assistance paid under a designated provincial program that meets the requirement of section 1029.8.137.1."

(2) Subsection 1 has effect from 1 September 2019.

**138.** (1) The Act is amended by inserting the following section after section 1029.8.137:

"**1029.8.137.1.** The requirement to which sections 1029.8.136, 1029.8.137 and 1029.8.138 refer in relation to a designated provincial program is the requirement that the legislation or regulations applicable to the program not contain any provision requiring that assistance paid under the program in a registered education savings plan be transferred proportionally, where only a portion of the properties held by the trust governed by the registered education savings plan is transferred to a trust governed by another registered education savings plan."

(2) Subsection 1 has effect from 1 September 2019.

**139.** (1) Section 1029.8.138 of the Act is replaced by the following section:

"**1029.8.138.** If, in a taxation year, a portion of the properties held by a trust governed by a registered education savings plan (in this section referred to as the "transferor plan"), other than properties included in a CLB account or in any account of assistance paid under a designated provincial program that meets the requirement of section 1029.8.137.1, is paid into another trust governed by another registered education savings plan by means of a transfer,

the proportion of the aggregate of the contributions made in the year and before the time of the transfer, in respect of any beneficiary under the transferor plan, that, at the time of the transfer, the value of the properties transferred is of the value of all the properties held by the trust governed by the transferor plan, other than those included in a CLB account or in any account of assistance paid under a designated provincial program that meets the requirement of section 1029.8.137.1, is deemed to have been withdrawn from the transferor plan before the end of the year."

(2) Subsection 1 has effect from 1 September 2019. However, where section 1029.8.138 of the Act applies before 4 June 2021, it is to be read as if ", after 20 February 2007" were inserted after "in the year".

**140.** Section 1029.8.139 of the Act is amended by replacing paragraph *a* by the following paragraph:

"(*a*) contributions made in the particular taxation year, in the order in which they were made;".

**141.** (1) Section 1029.8.142 of the Act is amended

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

"If an education savings incentive has been received by a trust under section 1029.8.128, the portion of an educational assistance payment made to a beneficiary under the registered education savings plan that is attributable to the education savings incentive is equal to the lesser of

(*a*) the amount determined by the formula

$A \times B/C$; and

(*b*) the amount by which $3,600 exceeds the aggregate of all amounts each of which is an amount determined under this section in respect of an educational assistance payment made previously by the promoter to the beneficiary under the plan.";

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

"In the formula in subparagraph *a* of the first paragraph,";

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

"(*c*) C is the amount determined, in respect of the educational assistance payment, under subsection 2.2 of section 10 of the Canada Education Savings Regulations made under the Canada Education Savings Act (Statutes of Canada, 2004, chapter 26);";

(4) by striking out subparagraphs *d* to *h* of the second paragraph.

(2) Subsection 1 has effect from 1 September 2019.

**142.** (1) Section 1029.9 of the Act is amended by replacing the definitions of "taxi driver's permit" and "taxi owner's permit" by the following definitions:

""taxi driver's permit" means such a permit referred to in the Act respecting transportation services by taxi (chapter S-6.01), as it read before being repealed;

""taxi owner's permit" means such a permit referred to in the Act respecting transportation services by taxi, as it read before being repealed, including a limousine permit or other specialized taxi permit referred to in that Act."

(2) Subsection 1 has effect from 10 October 2020.

**143.** (1) Section 1029.9.1 of the Act is amended by replacing the first and second paragraphs by the following paragraphs:

"A taxpayer who is resident in Québec at the end of 31 December of a particular taxation year that is the taxation year 2019, 2020 or 2021, who is a taxpayer described in the second paragraph for the particular year and who encloses the prescribed form containing prescribed information with the fiscal return the taxpayer is required to file for the particular year under section 1000 or would be required to so file if the taxpayer had tax payable for the particular year under this Part, is deemed to have paid to the Minister, on the taxpayer's balance-due day for the particular year, on account of the taxpayer's tax payable for that year under this Part, an amount equal to

(*a*) where the particular year is the taxation year 2019, the lesser of $584 and the amount determined in respect of the taxpayer for the particular year under section 1029.9.3;

(*b*) where the particular year is the taxation year 2020, the lesser of $594 and the amount determined in respect of the taxpayer for the particular year under section 1029.9.3; or

(*c*) where the particular year is the taxation year 2021, the lesser of $301 and the amount that would be determined in respect of the taxpayer for the particular year under section 1029.9.3 if that section were read as if "2%" in the portion before paragraph *a* were replaced by "1%" and as if no reference were made to its paragraph *c*.

The taxpayer to whom the first paragraph refers for a particular taxation year is

(*a*) where the particular year is the taxation year 2019,

i. a taxpayer who, at any time in the particular year, is the holder of a taxi driver's permit and is not the holder of a taxi owner's permit on 31 December 2019, or

ii. a taxpayer who, at any time in the particular year, is the holder of a taxi driver's permit, is the holder of one or more taxi owner's permits on 31 December 2019 and has not assumed all or almost all of the fuel cost of bringing into service any motor vehicle attached to at least one of the taxi owner's permits of which the taxpayer is the holder;

(*b*) where the particular year is the taxation year 2020, a taxpayer who would be described in subparagraph i or ii of subparagraph *a* if those subparagraphs were read as if "31 December 2019" were replaced by "9 October 2020"; or

(*c*) where the particular year is the taxation year 2021, a taxpayer who was, on 9 October 2020, the holder of a taxi driver's permit in force, who has benefited from the presumption provided for in section 292 of the Act respecting remunerated passenger transportation by automobile (chapter T-11.2) and who is, at any time in the particular year, a driver authorized by the Société de l'assurance automobile du Québec under Division I of Chapter II of that Act."

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

**144.** (1) Section 1029.9.1.1 of the Act is repealed.

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

**145.** (1) Section 1029.9.2 of the Act is amended

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

"**1029.9.2.** A taxpayer who, on the date specified in the third paragraph that is included in a particular taxation year of the taxpayer that is either the taxpayer's last taxation year that began before 1 January 2020 or a taxation year that began after 31 December 2019 and before 10 October 2020, is the holder of one or more taxi owner's permits in force, who assumed during that particular year all or almost all of the fuel cost of bringing into service any motor vehicle attached to each of those permits and who encloses the prescribed form containing prescribed information with the fiscal return the taxpayer is required to file under section 1000 for that particular year or would be required to so file if the taxpayer had tax payable for that particular year under this Part, is deemed, subject to the second paragraph, to have paid to the Minister, on the taxpayer's balance-due day for that particular year, on account of the taxpayer's tax payable for that year under this Part, an amount equal to

(*a*) where the particular year is the taxpayer's last taxation year that began before 1 January 2020, the lesser of

i. the amount determined in respect of the taxpayer for the particular year under section 1029.9.3, and

ii. the product obtained by multiplying $584 by the number of such permits of which the taxpayer is the holder on 31 December 2019; or

(*b*) where the particular year is a taxation year of the taxpayer that began after 31 December 2019 and before 10 October 2020, the lesser of

i. the amount that would be determined in respect of the taxpayer for the particular year under section 1029.9.3 if paragraphs *a* to *c* of that section were read as if "the portion of" were inserted at the beginning and as if ", which is attributable to the period of the year that precedes 10 October 2020" were inserted at the end, and

ii. the product obtained by multiplying $594 by the number of such permits of which the taxpayer is the holder on 9 October 2020.

For the purpose of computing the payments that a taxpayer is required to make under section 1025 or 1026, subparagraph *a* of the first paragraph of section 1027, or any of sections 1159.7, 1175 and 1175.19 where they refer to that subparagraph *a*, the taxpayer is deemed to have paid to the Minister, on account of the aggregate of the taxpayer's tax payable for the year under this Part and of the taxpayer's tax payable for the year under Parts IV.1, VI and VI.1, on the date on or before which each payment is required to be made, an amount equal to the lesser of";

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

"The date to which the first paragraph refers is

(*a*) 31 December 2019, where the particular year is the taxpayer's last taxation year that began before 1 January 2020; or

(*b*) 9 October 2020, where the particular year is a taxation year of the taxpayer that began after 31 December 2019 and before 10 October 2020."

(2) Subsection 1 applies to a taxation year that ends after 30 December 2019.

**146.** (1) Section 1029.9.2.1 of the Act is amended

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

"Where, on the date specified in the third paragraph that is included in a particular fiscal period of a partnership that is either the partnership's last fiscal period that began before 1 January 2020 or a fiscal period that began after 31 December 2019 and before 10 October 2020, the partnership is the holder of one or more taxi owner's permits in force and the partnership assumed during the particular fiscal period all or almost all of the fuel cost of bringing into

service any motor vehicle attached to each of those permits, each taxpayer who is a member of the partnership at the end of the particular fiscal period and who encloses the prescribed form containing prescribed information with the fiscal return the taxpayer is required to file under section 1000 for the taxpayer's taxation year in which the particular fiscal period ends, or would be required to so file if the taxpayer had tax payable for that taxation year under this Part, is deemed, subject to the second paragraph and section 1029.9.2.2, to have paid to the Minister, on the taxpayer's balance-due day for the year, on account of the taxpayer's tax payable for the year under this Part, an amount equal to

(*a*) where the particular fiscal period is the partnership's last fiscal period that began before 1 January 2020, the taxpayer's share of the lesser of

i. the amount determined in respect of the partnership for the particular fiscal period under section 1029.9.3.1, and

ii. the product obtained by multiplying $584 by the number of such permits of which the partnership is the holder on 31 December 2019; or

(*b*) where the particular fiscal period is a fiscal period of the partnership that began after 31 December 2019 and before 10 October 2020, the taxpayer's share of the lesser of

i. the amount that would be determined in respect of the partnership for the particular fiscal period under section 1029.9.3.1 if paragraphs *a* and *b* of that section were read as if "the portion of" were inserted at the beginning and as if ", which is attributable to the period of the fiscal period that precedes 10 October 2020" were inserted at the end, and

ii. the product obtained by multiplying $594 by the number of such permits of which the partnership is the holder on 9 October 2020.";

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

"The date to which the first paragraph refers is

(*a*) 31 December 2019, where the particular fiscal period is the partnership's last fiscal period that began before 1 January 2020; or

(*b*) 9 October 2020, where the particular fiscal period is a fiscal period of the partnership that began after 31 December 2019 and before 10 October 2020."

(2) Subsection 1 applies in respect of a fiscal period of a partnership that ends after 30 December 2019.

**147.** (1) Section 1044 of the Act is amended by replacing "*d*.1.0.0.3" in the first paragraph by "*d*.1.0.0.4".

(2) Subsection 1 has effect from 1 January 2021.

**148.** (1) The Act is amended by inserting the following sections after section 1049.14.24:

"**1049.14.25.** For the purposes of this section and sections 1049.14.26 to 1049.14.31,

"authorized investment certificate" has the meaning assigned by section 776.1.36;

"balance of the penalty account payable" of a corporation, at any time, in relation to an authorized investment certificate means an amount equal to the amount by which its penalty account payable in relation to the certificate at that time exceeds the aggregate of all amounts each of which is the amount determined under subparagraph *b* of the second paragraph of any of sections 1049.14.26 to 1049.14.29 in relation to the certificate at a time preceding that time;

"eligible investment" has the meaning assigned by section 776.1.36;

"penalty account payable" of a corporation, at any time, in relation to an authorized investment certificate, means the aggregate of all amounts each of which is equal to the amount by which the amount that would be deductible by another corporation under section 776.1.38 in computing its tax payable for the particular taxation year in which it acquires shares of the capital stock of the corporation in relation to the certificate if the other corporation were a qualified investor for the particular year and if it had sufficient tax payable under this Part for that particular year exceeds the amount that would be deductible by the other corporation under section 776.1.38 in computing its tax payable for that particular year if it were a qualified investor for the particular year, if it had sufficient tax payable under this Part for the particular year and if no reference were made to

(*a*) an eligible investment made by the other corporation in relation to the certificate, where the corporation and the other corporation are associated with each other at a time that precedes the time referred to in the portion before this paragraph and that occurs in the particular year or in a taxation year that begins in the 48-month period following the end of the particular year; or

(*b*) the shares acquired by the other corporation in connection with an eligible investment in relation to the certificate that are disposed of or exchanged at a time that precedes the time referred to in the portion before paragraph *a* and that occurs before the end of the 60-month period that begins on the day they are issued, otherwise than by reason of the other corporation's or the corporation's bankruptcy or insolvency, the unilateral redemption of the share by the corporation, or the redemption of the share by the corporation at the other corporation's request where the law confers on it the right to demand that all its shares be redeemed;

"qualified investor" has the meaning assigned by section 776.1.36.

"**1049.14.26.** Where a corporation has received an amount for the issue of a share of its capital stock in relation to an authorized investment certificate and any of the conditions provided for in the third paragraph is met, the corporation incurs a penalty equal to the amount determined by the formula

A – B.

In the formula in the first paragraph,

(*a*) A is 30% of the aggregate of all amounts each of which is the amount received by the corporation for the issue of a share of its capital stock in relation to the authorized investment certificate, to the extent that that amount was not taken into account in determining the amount of a penalty imposed on the corporation under the first paragraph or any of sections 1049.14.27 to 1049.14.29; and

(*b*) B is the corporation's balance of the penalty account payable in relation to the authorized investment certificate at the time the penalty is determined.

The conditions to which the first paragraph refers are as follows:

(*a*) at any time in the particular taxation year that includes the day on which the certificate is applied for or in a taxation year that begins in the 48-month period following the end of the particular year, the corporation is not a Canadian-controlled private corporation;

(*b*) at no time in a year referred to in subparagraph *a* does the corporation carry on a business in Québec or have an establishment in Québec; and

(*c*) at least 50% of the salaries or wages paid by the corporation in a year referred to in subparagraph *a* is paid to employees who are not, within the meaning of the regulations made under section 771, employees of an establishment situated in Québec.

"**1049.14.27.** Where the aggregate of the amounts assigned by a corporation in relation to an authorized investment certificate held by the corporation exceeds the amount of the authorized investment specified in the certificate, the corporation incurs a penalty equal to the amount determined by the formula

A – B.

In the formula in the first paragraph,

(*a*) A is 30% of the aggregate of all amounts each of which is the amount received by the corporation for the issue of a share of its capital stock in relation to the excess of the amount assigned, to the extent that the amount received was not taken into account in determining the amount of a penalty imposed on the corporation under any of sections 1049.14.26, 1049.14.28 and 1049.14.29; and

(*b*) B is the corporation's balance of the penalty account payable in relation to the authorized investment certificate at the time the penalty is determined.

"**1049.14.28.** Where the amount of the authorized investment specified in an authorized investment certificate held by a corporation is reduced for the purposes of Title III.6 of Book V, the corporation incurs a penalty equal to the amount determined by the formula

A – B.

In the formula in the first paragraph,

(*a*) A is 30% of the amount by which the aggregate of all amounts each of which is the amount received by the corporation for the issue of a share of its capital stock in relation to the certificate exceeds the amount of the authorized investment so reduced that is specified in the certificate, to the extent that that excess amount was not taken into account in determining the amount of a penalty imposed on the corporation under the first paragraph or any of sections 1049.14.26, 1049.14.27 and 1049.14.29; and

(*b*) B is the corporation's balance of the penalty account payable in relation to the authorized investment certificate at the time the penalty is determined.

"**1049.14.29.** Where an authorized investment certificate held by a corporation is revoked, the corporation incurs a penalty equal to the amount determined by the formula

A – B.

In the formula in the first paragraph,

(*a*) A is 30% of the aggregate of all amounts each of which is the amount received by the corporation for the issue of a share of its capital stock in relation to the authorized investment certificate, to the extent that that amount was not taken into account in determining the amount of a penalty imposed on the corporation under any of sections 1049.14.26 to 1049.14.28; and

(*b*) B is the corporation's balance of the penalty account payable in relation to the authorized investment certificate at the time the penalty is determined.

"**1049.14.30.** Where a corporation has made, at a particular time, an eligible investment for a taxation year in another corporation in relation to an authorized investment certificate held by the other corporation and it is reasonable to believe that one of the corporation's directors or officers knew, at the particular time, that the aggregate of the amounts assigned by the other corporation in relation to the certificate was exceeding the amount of the authorized investment specified in the certificate, the corporation is solidarily liable, with the other corporation, to pay any penalty imposed on the other corporation under section 1049.14.27 in relation to that excess amount, up to

the maximum amount that the corporation could have deducted under section 776.1.38 for that year, in respect of the eligible investment, if it had had sufficient tax payable under this Part for the year.

"**1049.14.31.** Where a corporation has made, at a particular time, an eligible investment for a taxation year in another corporation in relation to an authorized investment certificate held by the other corporation, the certificate is revoked because of a false statement or omission referred to in subparagraph 2 of the third paragraph of section 15 of the Act respecting the sectoral parameters of certain fiscal measures (chapter P-5.1) and it is reasonable to believe that one of the corporation's directors or officers was aware, at the particular time, of that false statement or omission, the corporation is solidarily liable, with the other corporation, to pay any penalty imposed on the other corporation under section 1049.14.29 in relation to the certificate, up to the maximum amount that the corporation could have deducted under section 776.1.38 for that year, in respect of the eligible investment, if it had had sufficient tax payable under this Part for the year.

"**1049.14.32.** The Minister may at any time assess a corporation in respect of an amount payable under section 1049.14.30 or 1049.14.31, and this Book applies, with the necessary modifications, to that assessment as if it had been made under Title II.

"**1049.14.33.** Where a particular corporation and another corporation are, under section 1049.14.30 or 1049.14.31, solidarily liable in respect of all or part of a liability of the other corporation, the following rules apply:

(*a*) a payment by, and on account of the liability of, the particular corporation discharges, up to the amount of the payment, their solidary liability; and

(*b*) a payment by, and on account of the liability of, the other corporation discharges the liability of the particular corporation only to the extent that the payment operates to reduce the liability of the other corporation to an amount less than the amount in respect of which the particular corporation is solidarily liable under section 1049.14.30 or 1049.14.31, as the case may be."

(2) Subsection 1 has effect from 1 January 2021.

**149.** (1) Section 1053 of the Act is amended by replacing "*d*.1.0.0.3" in the portion before paragraph *a* by "*d*.1.0.0.4".

(2) Subsection 1 has effect from 1 January 2021.

**150.** (1) The heading of Title VIII of Book IX of Part I of the Act is replaced by the following heading:

"REVOCATION OF CERTAIN REGISTRATIONS".

(2) Subsection 1 has effect from 1 January 2020.

**151.** (1) Section 1063 of the Act is amended

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

"**1063.** The Minister may revoke the registration of a charity, of a Canadian amateur athletic association, of a Québec amateur athletic association or of a journalism organization the registration of which has been recognized or authorized by this Part or by regulation, if such organization or association";

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

"(*f*) in the case of a registered Canadian amateur athletic association, of a registered Québec amateur athletic association or of a registered journalism organization, accepts a gift the granting of which was expressly or impliedly conditional upon the association or organization making a gift to another person, society, association, organization or club."

(2) Subsection 1 has effect from 1 January 2020.

**152.** (1) Section 1064 of the Act is replaced by the following section:

"**1064.** The Minister shall, before revoking the registration of an organization or association referred to in section 1063, give notice of the Minister's intention by registered mail except if the revocation is effected upon the application of the organization or association."

(2) Subsection 1 has effect from 1 January 2020.

**153.** (1) Section 1129.0.0.1 of the Act is amended by replacing "III.6.6" in the portion of the third paragraph before the definition of "filing-due date" by "III.6.7".

(2) Subsection 1 has effect from 1 January 2021.

**154.** 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 and III.10.1.2 to III.10.2 that relates to the particular provision:".

**155.** Section 1129.0.0.6 of the Act is replaced by the following section:

"**1129.0.0.6.** In every provision of this Part and Parts III.0.1, III.0.1.1, III.0.3, III.1.0.6 to III.1.1.1, III.1.1.6, III.1.1.7, III.1.3 to III.1.7, III.2.7, III.7.1, III.8, III.10.0.1, III.10.1.1 to III.10.1.1.2, III.10.1.2 to III.10.1.7, III.10.1.8, III.10.2 to III.10.9.1 and III.12.1, a reference to any of the repealed divisions of Chapter III.1 of Title III of Book IX of Part I, or to any section of those divisions, is a reference to that division or to that section, as the case may be, as it read for the taxation year concerned."

**156.** (1) The Act is amended by inserting the following Part after section 1129.27.26:

"**PART III.6.7**

"SPECIAL TAX RELATING TO THE TAX CREDIT TO FOSTER SYNERGY BETWEEN QUÉBEC BUSINESSES

"**1129.27.27.** In this Part,

"authorized investment certificate" has the meaning assigned by section 776.1.36;

"balance of the special tax account payable" of a corporation, at the end of a taxation year, in relation to an authorized investment certificate, means an amount equal to the amount by which its special tax account payable at the end of that year in relation to the certificate exceeds the aggregate of all amounts each of which is the amount determined under subparagraph *b* of the second paragraph of section 1129.27.28 in relation to the certificate for a preceding taxation year;

"eligible investment" has the meaning assigned by section 776.1.36;

"excluded share" means a share of the capital stock of a corporation that is disposed of or exchanged by reason of the corporation's or shareholder's bankruptcy or insolvency, unilaterally redeemed by the corporation, or redeemed by the corporation at the shareholder's request where the law confers on the shareholder the right to demand that all its shares be redeemed;

"special tax account payable" of a corporation, at the end of a taxation year, in relation to an authorized investment certificate held by another corporation, means an amount equal to the proportion of the aggregate of all amounts each of which is the amount of a penalty determined under any of sections 1049.14.26 to 1049.14.29, at or before the end of the taxation year, in respect of the other corporation in relation to the certificate, that the aggregate of all amounts each of which is an amount paid by the corporation for the acquisition of a share of the capital stock of the other corporation in relation to the certificate is of the aggregate of all amounts each of which is an amount received by the other corporation for the issue of a share of its capital stock in relation to the certificate;

"unused portion of the tax credit" has the meaning assigned by section 776.1.36.

"**1129.27.28.** Every corporation that has deducted an amount under section 776.1.38 or 776.1.39 for a taxation year in respect of an eligible investment which includes an amount paid for the acquisition of a share of the capital stock of another corporation, in relation to an authorized investment certificate, and that disposes of or exchanges such a share (other than an excluded share) in a subsequent taxation year (in this section referred to as the "transfer year") and before the end of the 60-month period that begins on the day on which the share is issued shall pay, for the transfer year, a tax determined by the formula

A – B.

In the formula in the first paragraph,

(*a*) A is an amount equal to the amount by which the aggregate of all amounts each of which is an amount deducted by the corporation for a taxation year preceding the transfer year under section 776.1.38, or under section 776.1.39 in respect of the unused portion of the tax credit of the corporation for a taxation year preceding the transfer year, exceeds the aggregate of all amounts each of which is the maximum amount that the corporation could have deducted under section 776.1.38 for a taxation year preceding the transfer year if it had had sufficient tax payable under Part I for that preceding taxation year and if, for the purposes of the definition of "eligible investment" in the first paragraph of section 776.1.36 for the preceding taxation year, no reference were made to any amount paid for the acquisition of a share referred to in the first paragraph that is disposed of or exchanged in the transfer year; and

(*b*) B is the aggregate of all amounts each of which is the balance of the special tax account payable in relation to an authorized investment certificate referred to in the first paragraph at the end of the transfer year, to the extent that the balance does not exceed the portion of the amount determined under subparagraph *a* that may reasonably be considered to be attributable to one or more shares referred to in the first paragraph that were issued in connection with the certificate.

The first paragraph does not apply in respect of a share acquired in connection with an eligible investment of the corporation, where section 1129.27.29 applies in respect of the eligible investment for the transfer year or applied in respect of the eligible investment for a preceding taxation year.

For the purposes of this section, a corporation is deemed to dispose of or exchange shares that are identical properties in the order in which they were acquired.

"**1129.27.29.** Every corporation that has deducted an amount under section 776.1.38 or 776.1.39 for a particular taxation year in respect of an eligible investment in another corporation, in relation to an authorized investment certificate, and that becomes associated with the other corporation, at any time in a taxation year (in this section referred to as the "association year") that begins in the 48-month period following the end of the particular year, shall pay, for the association year, a tax determined by the formula

A – B.

In the formula in the first paragraph,

(*a*) A is an amount equal to the amount by which the aggregate of all amounts each of which is an amount deducted by the corporation for a taxation year preceding the association year under section 776.1.38, or under section 776.1.39 in respect of the unused portion of the tax credit of the corporation for a taxation year preceding the association year, exceeds the aggregate of all amounts each of which is the maximum amount that the corporation could have deducted under section 776.1.38 for a taxation year preceding the association year if it had had sufficient tax payable under Part I for that preceding taxation year and if no reference were made to any eligible investment of the corporation in a corporation with which it becomes associated, under circumstances described in the first paragraph, at any time in the association year nor to any amount paid in connection with the eligible investment for the acquisition of a share referred to in the first paragraph of section 1129.27.28; and

(*b*) B is the aggregate of all amounts each of which is a balance of the special tax account payable in relation to an authorized investment certificate referred to in the first paragraph at the end of the association year, to the extent that the balance does not exceed the portion of the amount determined under subparagraph *a* that may reasonably be considered to be attributable to the certificate.

"**1129.27.30.** For the purposes of Part I, tax paid to the Minister by a corporation, at any time, under section 1129.27.28 or 1129.27.29 in relation to an amount paid for the acquisition of a share is deemed to be an amount of assistance repaid by the corporation at that time in respect of the share, pursuant to a legal obligation.

"**1129.27.31.** 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 has effect from 1 January 2021.

**157.** (1) The heading of Part III.10.1.7.2 of the Act is replaced by the following heading:

"SPECIAL TAX RELATING TO THE CREDIT TO PROMOTE EMPLOYMENT IN THE GASPÉSIE AND CERTAIN MARITIME REGIONS OF QUÉBEC".

(2) Subsection 1 applies from the calendar year 2016. In addition, for the calendar year 2015, the heading of Part III.10.1.7.2 of the Act is to be read as follows:

"SPECIAL TAX RELATING TO THE CREDIT FOR JOB CREATION IN THE GASPÉSIE AND CERTAIN MARITIME REGIONS OF QUÉBEC IN THE FIELDS OF RECREATIONAL TOURISM, MARINE BIOTECHNOLOGY, MARICULTURE AND MARINE PRODUCTS PROCESSING".

**158.** (1) Section 1129.45.41.18.14 of the Act, enacted by section 191 of chapter 14 of the statutes of 2021, is amended by replacing the first paragraph by the following paragraph:

"Every corporation that, in relation to its specified expenses for a particular taxation year in respect of a specified property, is deemed to have paid an amount to the Minister, under any of sections 1029.8.36.166.60.48, 1029.8.36.166.60.51 and 1029.8.36.166.60.52, for any 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 an amount relating to the specified expenses is, directly or indirectly, refunded or otherwise paid to the corporation or allocated to a payment to be made by the corporation."

(2) Subsection 1 has effect from 11 March 2020.

**159.** (1) Section 1129.45.41.18.15 of the Act, enacted by section 191 of chapter 14 of the statutes of 2021, is amended by replacing the first paragraph by the following paragraph:

"Every corporation that is a member of a partnership and is, in relation to the partnership's specified expenses, in respect of a specified property, for a particular fiscal period of the partnership, deemed to have paid an amount to the Minister, under any of sections 1029.8.36.166.60.49, 1029.8.36.166.60.51 and 1029.8.36.166.60.52, for any taxation year, shall pay the tax computed under the second paragraph for the taxation year in which ends a subsequent fiscal period of the partnership (in this section referred to as the "fiscal period of repayment") in which an amount relating to the specified expenses is, directly or indirectly, refunded or otherwise paid to the partnership or corporation or allocated to a payment to be made by the partnership or corporation."

(2) Subsection 1 has effect from 11 March 2020.

**160.** (1) Section 1129.45.41.18.17 of the Act, enacted by section 191 of chapter 14 of the statutes of 2021, is amended by replacing the portion before subparagraph *a* of the first paragraph by the following:

"**1129.45.41.18.17.** Every corporation that is a member of a partnership and is deemed to have paid an amount to the Minister, under any of sections 1029.8.36.166.60.49, 1029.8.36.166.60.51 and 1029.8.36.166.60.52, for any taxation year in relation to the partnership's specified expenses in respect of a specified property, shall pay, for a particular taxation year, the tax computed under the second paragraph where, at any time after the last day of the six-month period following the end of the partnership's fiscal period that ends in the taxation year preceding the particular year and during the period described in the third paragraph, the property ceases, otherwise than by reason of its loss, of its involuntary destruction by fire, theft or water, or of a major breakdown of the property, to be used, where the property is referred to in subparagraph v of paragraph *b* of the definition of "specified property" in the first paragraph of section 1029.8.36.166.60.36, mainly in Québec or, in any other case, solely in Québec, to earn income from a business carried on".

(2) Subsection 1 has effect from 11 March 2020.

**161.** (1) Section 1129.66.4 of the Act is amended

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

"(*b*) the amount determined by the formula

(A × B)/(B + C + D).";

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

"In the formula in subparagraph *b* of the first paragraph,

(*a*) A is the fair market value of the properties held by the trust governed by the plan immediately before the event occurs;

(*b*) B is the balance of the plan's education savings incentive account immediately before the event occurs;

(*c*) C is the aggregate of

i. the balance of the plan's grant account immediately before the event occurs, and

ii. the aggregate of all amounts each of which is the balance of a CLB account of the plan immediately before the event occurs; and

(*d*) D is the aggregate of all amounts each of which is the balance of an account of assistance paid under a designated provincial program, within the meaning of section 890.15, of the plan immediately before the event occurs."

(2) Subsection 1 has effect from 1 September 2019.

**162.** (1) Section 1175.28.12 of the Act is amended by replacing subparagraph *a* of the second paragraph by the following subparagraph:

"(*a*) a deduction in computing taxable income or the tax payable for the purposes of Part I, otherwise than under any of Titles V, VI.3 and VI.9 of Book IV or Title I or III.6 of Book V;".

(2) Subsection 1 has effect from 1 January 2021.

ACT RESPECTING THE SECTORAL PARAMETERS OF CERTAIN FISCAL MEASURES

**163.** Section 2 of the Act respecting the sectoral parameters of certain fiscal measures (chapter P-5.1) is amended by striking out paragraphs 2 and 6.

**164.** (1) Section 1.1 of Schedule A to the Act, amended by section 200 of chapter 14 of the statutes of 2021, is again amended by adding the following paragraph at the end:

"(19) the tax credit to foster synergy between Québec businesses provided for in sections 776.1.36 to 776.1.41 of the Taxation Act."

(2) Subsection 1 has effect from 1 January 2021.

**165.** (1) Section 12.2 of Schedule A to the Act is amended

(1) by replacing "2021" in the fourth paragraph by "2026";

(2) by replacing "2020" in the seventh paragraph by "2025".

(2) Subsection 1 applies from the calendar year 2021.

**166.** (1) Schedule A to the Act is amended by adding the following chapter at the end:

"**CHAPTER XX**

"SECTORAL PARAMETERS OF TAX CREDIT TO FOSTER SYNERGY BETWEEN QUÉBEC BUSINESSES

"**DIVISION I**

"INTERPRETATION AND GENERAL RULES

"**20.1.** In this chapter, "tax credit to foster synergy between Québec businesses" means the fiscal measure provided for in Title III.6 of Book V of Part I of the Taxation Act, under which a corporation may deduct an amount in computing its tax payable under that Part for a taxation year.

"**20.2.** A corporation that wishes to issue shares of its capital stock, the acquisition of which allows another corporation to benefit from the tax credit to foster synergy between Québec businesses, must obtain an authorized investment certificate from Investissement Québec.

"**20.3.** An application for an authorized investment certificate must be accompanied by a detailed description of the intended use of the funds from the issue of shares of the corporation's capital stock and the planned time frame for that use.

"**DIVISION II**

"AUTHORIZED INVESTMENT CERTIFICATE

"**20.4.** An authorized investment certificate issued to a corporation certifies that the corporation is a qualified corporation that is authorized to issue, for the purposes of the tax credit to foster synergy between Québec businesses, shares of its capital stock for an amount not exceeding the authorized investment amount specified in the certificate. The certificate also confirms that, in the opinion of Investissement Québec, the intended use of the funds from the issue of shares of the corporation's capital stock, as detailed in the document referred to in section 20.3, is an eligible use of the funds.

The date of coming into force of the authorized investment certificate issued to the corporation may not precede the date of its issue.

The certificate is valid for a period of six months following the date of its issue. However, the corporation may, before the end of that period, apply to Investissement Québec to have it extended for a period of two months.

However, the aggregate of all amounts each of which is the authorized investment amount specified in an authorized investment certificate issued to a corporation may not, for each 12-month period, exceed $1,000,000 in respect of that corporation.

In addition, the total of the authorized investment amounts specified in the authorized investment certificates issued by Investissement Québec during a calendar year must not exceed $30,000,000.

"**20.5.** A corporation may be recognized as a qualified corporation if

(1) it is a Canadian-controlled private corporation throughout the particular year that is its last taxation year that ended before the day on which an application for an authorized investment certificate was filed;

(2) it carries on a business in Québec in the particular year and has an establishment in Québec;

(3) the paid-up capital attributed to the corporation for the particular year, determined in accordance with section 737.18.24 of the Taxation Act, is less than $15,000,000;

(4) at least 75% of the salaries or wages paid in the particular year to its employees was paid to employees who are, within the meaning of the regulations made under section 771 of the Taxation Act, employees of an establishment situated in Québec;

(5) its gross revenue for its last fiscal period that ended before the day on which the application for the certificate was filed is less than $10,000,000; and

(6) the proportion of its gross revenue from eligible activities for the fiscal period described in subparagraph 5 is greater than 50%.

In addition, the corporation must establish to Investissement Québec's satisfaction that, at the time the application for the authorized investment certificate is filed, it has been carrying on eligible activities for more than one year.

However, where the last taxation year or the last fiscal period referred to in the first paragraph has fewer than 183 days, the conditions of subparagraphs 4 to 6 of the first paragraph must be met for the corporation's most recent taxation year or most recent fiscal period, as applicable, that ended before the day on which the application for the authorized investment certificate was filed and that has at least 183 days.

For the purposes of this section, a condition described in any of subparagraphs 1 to 4 of the first paragraph is considered to be met only if it is so considered for the purposes of the Taxation Act.

“**20.6.** Where a corporation is associated with another corporation in a fiscal period, its gross revenue for that period is equal to the gross revenue for that period of all the corporations associated with each other in that period, determined on the basis of the consolidated statement of earnings of those corporations prepared in accordance with generally accepted accounting principles.

For the purposes of the first paragraph, a corporation is considered to be associated with another corporation in a fiscal period where the corporation would be so considered for the purposes of Part I of the Taxation Act if the fiscal period were a taxation year.

“**20.7.** The following activities are eligible activities:

(1) activities related to life sciences;

(2) manufacturing or processing;

(3) activities related to green technologies;

(4) the design and development of artificial intelligence solutions; and

(5) activities related to information technologies.

“**20.8.** The following activities are activities related to life sciences:

(1) research, development, production and marketing of medications for human or animal health, or of natural health products; and

(2) the design, development, manufacturing and commercialization of physical or digital medical products, other than medications.

“**20.9.** The following activities are activities related to green technologies:

(1) research and development for the commercial operation of technologies that increase energy efficiency or energy savings or that reduce greenhouse gas emissions or environmental impacts; and

(2) manufacturing or processing for the commercial operation of technologies referred to in paragraph 1.

“**20.10.** The following activities are activities related to information technologies:

(1) computer and peripheral equipment manufacturing;

(2) semiconductor and other electronic component manufacturing;

(3) radio and television broadcasting and wireless communications equipment manufacturing;

(4) software or video game publishing;

(5) data processing;

(6) data hosting and related services; and

(7) computer systems design and related services.

"**20.11.** Subject to section 20.12, the use of the funds from an issue of shares of a corporation's capital stock in relation to an authorized investment certificate is an eligible use if the funds are used for investments related to the carrying on of the corporation's business in connection with its eligible activities, in accordance with the detailed description referred to in section 20.3, including any amendment made to the description in agreement with Investissement Québec.

"**20.12.** Where a corporation's activities are mainly referred to in paragraph 2 of section 20.7 and are not otherwise referred to in any of paragraphs 1, 3 and 5 of that section, the use of the funds from an issue of shares of a corporation's capital stock in relation to an authorized investment certificate is an eligible use if the funds are used in accordance with the detailed description referred to in section 20.3 and in connection with investments related to the carrying on of its business either to improve the use of or connection to new technologies or to integrate technologies enabling, in particular, the digitization or automation of the business's activities.

"**20.13.** The use of the funds from an issue of shares of a corporation's capital stock in relation to an authorized investment certificate for any of the following purposes is a use for an ineligible purpose:

(1) making investments outside Québec, unless the corporation can show that the investment is directly related to the carrying on of its business in Québec;

(2) repaying a debt, except with the agreement of Investissement Québec;

(3) lending money;

(4) purchasing land for resale;

(5) purchasing, acquiring or subscribing shares of other corporations or interests in partnerships or trusts;

(6) purchasing a business;

(7) paying dividends, repaying capital or any other disbursement to a shareholder of the corporation or a person related to such a shareholder; and

(8) purchasing shares of its capital stock.

"**DIVISION III**

"SPECIAL RULES

"**20.14.** A corporation must, for the particular taxation year that includes the day on which an authorized investment certificate is applied for and for each taxation year that begins in the 48-month period following the end of the particular year, meet the following conditions:

(1) it is a Canadian-controlled private corporation throughout the year;

(2) it carries on a business in Québec in the year and has an establishment in Québec; and

(3) more than 50% of the salaries or wages paid to its employees in the year has been paid to employees who are, within the meaning of the regulations made under section 771 of the Taxation Act, employees of an establishment situated in Québec.

In addition, the proportion of the corporation's gross revenue from eligible activities must be greater than 50% for the particular fiscal period that includes the day on which an authorized investment certificate is applied for and for each fiscal period that begins in the 48-month period following the end of the particular fiscal period.

For the purposes of this section, a condition described in the first paragraph is considered to be met only when it is considered to be met for the purposes of the Taxation Act.

"**20.15.** Investissement Québec may revoke an authorized investment certificate that has been issued to a corporation or reduce the amount of the authorized investment that is specified in the certificate in the following cases:

(1) for the particular fiscal period that includes the day on which the application for the authorized investment certificate is filed or for a fiscal period that begins in the 48-month period following the end of the particular fiscal period, the proportion of the corporation's gross revenue from eligible activities is not greater than 50%;

(2) the corporation does not use all or part of the funds from the issue of shares of its capital stock in relation to the authorized investment certificate in accordance with the detailed description referred to in section 20.3 that was filed with Investissement Québec to obtain the certificate, including any amendment made to the description in agreement with that body, or uses the funds for an ineligible purpose; or

(3) at any time in the 60-month period that begins on the day on which shares of its capital stock were issued in relation to the authorized investment certificate, the corporation unilaterally redeems all or part of the shares, or redeems all the shares it issued to another corporation in relation to the certificate, where the law confers on the other corporation the right to demand that all its shares be redeemed."

(2) Subsection 1 applies in respect of an authorized investment certificate for which an application is filed after 31 December 2020.

**167.** Schedule B to the Act is repealed.

**168.** (1) Section 8.8 of Schedule E to the Act is amended by replacing the second paragraph by the following paragraph:

"In the first annual certificate issued in respect of an investment project, the Minister specifies the date of the beginning of the corporation's or partnership's tax-free period in relation to the project. That date is the earlier of

(1) the day that follows the end of the start-up period; and

(2) the earlier of

(*a*) the date on which the corporation or partnership begins to carry on the activities arising from the carrying out of the project or, where the corporation or partnership gradually begins to carry on such activities, the date on which at least 90% of the goods intended to be used in the course of such activities are ready to be used, and

(*b*) the date on which the total capital investments attributable to the carrying out of the project is, for the first time, equal to or greater than

i. $300,000,000, if subparagraph *a* of subparagraph 3 of the first paragraph of section 8.6 applies to the project,

ii. $200,000,000, if subparagraph *b* of that subparagraph 3 applies to the project,

iii. $75,000,000, if subparagraph *c* of that subparagraph 3 applies to the project,

iv. $50,000,000, if subparagraph *c*.1 of that subparagraph 3 applies to the project, or

v. $100,000,000, if subparagraph *d* of that subparagraph 3 applies to the project."

(2) Subsection 1 applies in respect of an investment project for which an application for a first annual certificate is filed after 10 February 2015. However, where section 8.8 of Schedule E to the Act applies before 21 March 2019, subparagraph *b* of subparagraph 2 of its second paragraph is to be read without reference to subparagraph iv.

**169.** (1) Section 8.9 of Schedule E to the Act is amended by replacing the second paragraph by the following paragraph:

"The Minister may not issue an annual certificate to a corporation or a partnership, in respect of an investment project, for a taxation year or fiscal period that is subsequent to the start-up period of the project unless the total capital investments attributable to the carrying out of the project has reached at least, at or before the end of that period, whichever of the amounts specified in subparagraphs *a* to *d* of the first paragraph applies to the project. In addition, the Minister may issue an annual certificate in respect of an investment project only for a taxation year or fiscal period that is included in whole or in part in the corporation's or partnership's tax-free period in relation to the project."

(2) Subsection 1 has effect from 11 February 2015.

**170.** (1) Section 8.10 of Schedule E to the Act is amended by replacing subparagraph 2 of the first paragraph by the following subparagraph:

"(2) subject to the first sentence of the second paragraph of section 8.9, the Minister may, for a taxation year or fiscal period that is subsequent to the particular year or fiscal period, issue a first annual certificate to the corporation or partnership in respect of the project or amend an annual certificate that the Minister has already issued to it so that that certificate becomes the first annual certificate of the corporation or partnership if, for that subsequent year or fiscal period, the project meets the requirements of the first paragraph of section 8.9; and".

(2) Subsection 1 has effect from 11 February 2015.

**171.** (1) Section 8.13 of Schedule E to the Act is amended by replacing the second paragraph by the following paragraph:

"However, if at the end of the start-up period in respect of the second investment project the total capital investments attributable to the carrying out of the project has not reached at least whichever of the amounts specified in subparagraphs *a* to *d* of the first paragraph of section 8.9 applies to the project, the Minister must amend every annual certificate referred to in the first paragraph to withdraw the statement, retroactively to the date of coming into force of the certificate."

(2) Subsection 1 has effect from 29 March 2017.

**172.** Schedule F to the Act is repealed.

## ACT RESPECTING THE QUÉBEC SALES TAX

**173.** (1) Section 1 of the Act respecting the Québec sales tax (chapter T-0.1), amended by section 220 of chapter 14 of the statutes of 2021, is again amended

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

"“distribution platform operator” has the meaning assigned by section 477.2;";

(2) by striking out the definitions of “specified digital platform” and “specified supplier”;

(3) by replacing the definition of “passenger vehicle” by the following definition:

"“passenger vehicle” means a passenger vehicle or a zero-emission passenger vehicle, within the meaning assigned to those expressions by section 1 of the Taxation Act;".

(2) Paragraphs 1 and 2 of subsection 1 apply from 1 July 2021.

(3) Paragraph 3 of subsection 1 has effect from 19 March 2019.

**174.** (1) Section 17 of the Act is amended

(1) by inserting the following subparagraph after subparagraph *a* of subparagraph 6 of the fourth paragraph:

“(*a*.1) the amount determined for the pension plan by the formula in subparagraph 3 of the first paragraph of section 289.5.1 in respect of a supply of that property that is deemed to have been made by the participating employer under subparagraph 1 of the first paragraph of that section is greater than zero,”;

(2) by adding the following subparagraph at the end of subparagraph 6 of the fourth paragraph:

“(*c*) the amount determined for the pension plan by the formula in subparagraph 3 of the first paragraph of section 289.6.1 in respect of any supply of an employer resource that is deemed to have been made by the participating employer under subparagraph 1 of the first paragraph of that section, consumed or used for the purpose of making the particular supply, is greater than zero.”

(2) Subsection 1 has effect from 22 July 2016.

**175.** (1) Section 18 of the Act, amended by section 221 of chapter 14 of the statutes of 2021, is again amended

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

"iii. is a passenger vehicle that the recipient is acquiring for use in Québec as capital property in the course of commercial activities of the recipient and in respect of which the capital cost to the recipient exceeds the amount that is deemed under any of paragraphs *d*.3 to *d*.5 of section 99 of the Taxation Act (chapter I-3) to be the capital cost of the passenger vehicle to the recipient for the purposes of that Act;";

(2) by replacing subparagraph ii of subparagraph *b* of paragraph 3.1 by the following subparagraph:

"ii. is a passenger vehicle that the recipient is acquiring for use in Québec as capital property in the course of commercial activities of the recipient and in respect of which the capital cost to the recipient exceeds the amount that is deemed under any of paragraphs *d*.3 to *d*.5 of section 99 of the Taxation Act to be the capital cost of the passenger vehicle to the recipient for the purposes of that Act;";

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

"ii. the property is a passenger vehicle that the recipient is acquiring for use in Québec as capital property in the course of commercial activities of the recipient and in respect of which the capital cost to the recipient exceeds the amount that is deemed under any of paragraphs *d*.3 to *d*.5 of section 99 of the Taxation Act to be the capital cost of the passenger vehicle to the recipient for the purposes of that Act;".

(2) Subsection 1 applies in respect of a supply made after 18 March 2019.

**176.** (1) Section 18.0.1 of the Act is amended

(1) by inserting the following subparagraph after subparagraph *a* of subparagraph 9 of the third paragraph:

"(*a*.1) the amount determined for the pension plan by the formula in subparagraph 3 of the first paragraph of section 289.5.1 in respect of a supply of the property or service that is deemed to have been made by the participating employer under subparagraph 1 of the first paragraph of section 289.5.1 is greater than zero,";

(2) by adding the following subparagraph at the end of subparagraph 9 of the third paragraph:

"(*c*) the amount determined for the pension plan by the formula in subparagraph 3 of the first paragraph of section 289.6.1 in respect of any supply of an employer resource that is deemed to have been made by the participating employer under subparagraph 1 of the first paragraph of section 289.6.1, consumed or used for the purpose of making the particular supply, is greater than zero."

(2) Subsection 1 has effect from 22 July 2016.

**177.** (1) Section 23 of the Act is amended

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

"(2.1) the supply is a qualifying corporeal movable property supply, within the meaning of section 477.2, and the person is required under section 477.18.3 to be registered under Division I of Chapter VIII at the time the supply is made;";

(2) by striking out paragraph 4;

(3) by replacing paragraph 5 by the following paragraph:

"(5) the person is a Canadian specified supplier registered under Division II of Chapter VIII.1 and the supply is a designated supply, within the meaning of section 477.2, or a supply of corporeal movable property made to a specified Québec consumer;";

(4) by striking out paragraph 6.

(2) Subsection 1 applies from 1 July 2021. It also applies in respect of a supply referred to in section 477.18.4 of the Act, enacted by subsection 1 of section 215 of this Act, that is made before 1 July 2021 if all of the consideration for the supply becomes due after 30 June 2021 or is paid after that date without having become due.

**178.** (1) Section 139 of the Act is amended

(1) by replacing the definition of "transit authority" by the following definition:

""transit authority" means an entity that meets the following conditions:

(1) the entity is

(*a*) a division, department, body or agency of a government, municipality or school authority, the primary purpose of which is to supply public passenger transportation services, or

(*b*) a non-profit organization that

i. receives funding from a government, municipality or school authority to support the supply of public passenger transportation services, or

ii. is established and operated for the purpose of providing public passenger transportation services to individuals with a disability; and

(2) all or substantially all of the supplies made by the entity are

(*a*) supplies of public passenger transportation services provided within and in the vicinity of the territory of a municipality, or

(*b*) supplies of rights for individuals to use public passenger transportation services referred to in subparagraph *a*.";

(2) by replacing the definition of "municipal transit service" by the following definition:

""municipal transit service" means either a public passenger transportation service supplied by a transit authority, other than a charter service or a service that is part of a tour, or a right that exclusively entitles an individual to use the service;".

(2) Subsection 1 applies

(1) in respect of a supply made after 22 July 2016; and

(2) in respect of a supply made before 23 July 2016 unless, before that day, an amount was charged, collected or remitted in respect of the supply as or on account of tax under Title I of the Act.

**179.** (1) Section 167 of the Act is replaced by the following section:

"**167.** The following supplies are exempt:

(1) a supply of a municipal transit service;

(2) a supply of a right that exclusively entitles an individual to use a public passenger transportation service (other than a charter service or a service that is part of a tour) that is operated by a transit authority;

(3) a supply of a public passenger transportation service designated by the Minister to be a municipal transit service; or

(4) a supply of a right that exclusively entitles an individual to use a public passenger transportation service referred to in subparagraph 3.

The first paragraph does not apply if the supply is made to a transit authority."

(2) Subsection 1 applies

(1) in respect of a supply made after 22 July 2016; and

(2) in respect of a supply made before 23 July 2016 unless, before that day, an amount was charged, collected or remitted in respect of the supply as or on account of tax under Title I of the Act.

**180.** (1) The Act is amended by inserting the following section after section 167:

"**167.1.** A supply made to a particular transit authority of incorporeal movable property that is a right evidenced by a ticket, pass, voucher, or other similar physical or electronic media, is exempt if

(1) the property exclusively entitles an individual to use a public passenger transportation service (other than a charter service or a service that is part of a tour) that is operated by another transit authority, or to use a public passenger transportation service designated by the Minister to be a municipal transit service under subparagraph 3 of the first paragraph of section 167, and the particular transit authority acquires the property exclusively for the purpose of making a supply of the property; or

(2) the property exclusively entitles an individual to use a public passenger transportation service (other than a charter service or a service that is part of a tour) that is operated by the particular transit authority and the particular transit authority previously supplied the property."

(2) Subsection 1 applies

(1) in respect of a supply made after 22 July 2016; and

(2) in respect of a supply made before 23 July 2016 unless, before that day, an amount was charged, collected or remitted in respect of the supply as or on account of tax under Title I of the Act.

**181.** (1) Section 183 of the Act, amended by section 227 of chapter 14 of the statutes of 2021, is again amended by striking out paragraph 3.

(2) Subsection 1 applies from 1 July 2021.

**182.** Sections 199.0.2 and 199.0.3 of the Act are repealed.

**183.** (1) Section 247 of the Act is amended by replacing subparagraph 1 of the second paragraph by the following subparagraph:

"(1) A is the tax that would be payable by the registrant in respect of the vehicle if the registrant acquired the vehicle at the particular time for consideration equal to the amount that would, under whichever of paragraphs *d*.3

to *d*.5 of section 99 of the Taxation Act (chapter I-3) applies in respect of the vehicle, be deemed to be, for the purposes of that section, the capital cost to a taxpayer of a passenger vehicle in respect of which that paragraph applies if the formula in sections 99R1 and 99R1.1 of the Regulation respecting the Taxation Act (chapter I-3, r. 1) were read without reference to B; and".

(2) Subsection 1 applies in respect of a passenger vehicle that is acquired or brought into Québec after 18 March 2019.

**184.** (1) Section 248 of the Act is replaced by the following section:

"**248.** If the consideration paid or payable by a registrant for an improvement to a passenger vehicle of the registrant increases the cost to the registrant of the vehicle to an amount that exceeds the amount that would, under whichever of paragraphs *d*.3 to *d*.5 of section 99 of the Taxation Act (chapter I-3) applies in respect of the vehicle, be deemed to be, for the purposes of that section, the capital cost to a taxpayer of a passenger vehicle in respect of which that paragraph applies if the formula in sections 99R1 and 99R1.1 of the Regulation respecting the Taxation Act (chapter I-3, r. 1) were read without reference to B, the tax calculated on that excess must not be included in determining an input tax refund of the registrant for any reporting period of the registrant."

(2) Subsection 1 applies in respect of an improvement to a passenger vehicle that is acquired or brought into Québec after 18 March 2019.

**185.** (1) Section 296.1 of the Act is replaced by the following section:

"**296.1.** Section 294 does not apply to

(1) a person registered under Chapter VIII.1; or

(2) a person not resident in Québec that makes a supply in Québec of admissions in respect of an activity, a seminar, an event or a place of amusement and whose only business carried on in Québec is the making of such supplies."

(2) Subsection 1 applies from 1 July 2021.

**186.** (1) The Act is amended by inserting the following section after section 327.2.1, enacted by section 229 of chapter 14 of the statutes of 2021:

"**327.2.2.** The second paragraph of section 327.1 does not apply to a taxable supply referred to in subparagraph 1 where

(1) subparagraphs 1 to 3 of the first paragraph of section 327.1 apply to a taxable supply in respect of particular corporeal movable property that is made by a registrant and is referred to in any of subparagraphs *a* to *c* of subparagraph 1 of the first paragraph of section 327.1;

(2) the transfer referred to in subparagraph 2 of the first paragraph of section 327.1 of physical possession of the particular property is to a person (in this section referred to as the "consignee") that is acquiring physical possession of the particular property as the recipient of a taxable supply made by way of sale of the particular property that

(*a*) is deemed under section 477.18.4 to have been made by a distribution platform operator, and

(*b*) would, but for section 477.18.4, be made by a non-resident person;

(3) the distribution platform operator is registered under Division I of Chapter VIII; and

(4) the non-resident person gives to the registrant, and the registrant retains, a certificate that

(*a*) acknowledges that the consignee acquired physical possession of the particular property as the recipient of a taxable supply and that the distribution platform operator is required to collect tax in respect of that taxable supply, and

(*b*) states the distribution platform operator's name and registration number assigned under section 415 or 415.0.6.

Where the first paragraph applies, the taxable supply referred to in subparagraph 1 of that paragraph is deemed to have been made outside Québec."

(2) Subsection 1 applies from 1 July 2021.

**187.** Section 346.1 of the Act is amended by replacing the portion before paragraph 1 by the following:

"**346.1.** Paragraph 1 of section 346 does not apply to the acquisition or bringing into Québec of property or a service by an operator on behalf of a co-venturer, where the property or service is so acquired or brought into Québec for consumption, use or supply in the course of activities that are not commercial activities and the operator".

**188.** (1) The heading of Division XXIII of Chapter VI of Title I of the Act is amended by replacing "TAXI" by "REMUNERATED PASSENGER".

(2) Subsection 1 has effect from 1 December 2020.

**189.** (1) Section 350.63 of the Act is amended by replacing the first paragraph by the following paragraph:

"No person referred to in section 350.62 or person acting on that person's behalf may print or send by a technological means the invoice containing the information provided for in paragraph 2 of section 350.62 more than once,

except when providing it to the recipient for the purposes of that section. If such a person generates or sends by such means a copy, duplicate, facsimile or any other type of partial or total reproduction for another purpose, the person must do so in the prescribed manner and such a document must contain the prescribed information."

(2) Subsection 1 has effect from 1 December 2020.

**190.** (1) Section 350.66 of the Act is replaced by the following section:

"**350.66.** In any proceedings respecting an offence under section 60.3 of the Tax Administration Act (chapter A-6.002), when it refers to section 350.63, an offence under section 60.4 of the Tax Administration Act, when it refers to paragraph 2 of section 350.62, an offence under section 61.0.0.1 of the Tax Administration Act, when it refers to paragraph 1 of section 350.62, or an offence under section 485.3, when it refers to section 425.1.1, an affidavit of an employee of the Agence du revenu du Québec attesting that the employee had knowledge that an invoice was provided to the recipient by a person engaged in a taxi business referred to in section 350.62, or by a person acting on his behalf, is proof, in the absence of any proof to the contrary, that the invoice was provided by the person and that the amount shown in the invoice as being the consideration corresponds to the consideration received by the person from the recipient for a supply."

(2) Subsection 1 has effect from 1 December 2020.

**191.** Subdivision 4.2 of Division I of Chapter VII of Title I of the Act, comprising sections 382.8 to 382.11, is repealed.

**192.** Section 407.5 of the Act is amended by replacing the first and second paragraphs by the following paragraphs:

"Despite section 407, a small supplier or a person not resident and not carrying on business in Québec, who engages in the retail sale of a new tire or the sale of a road vehicle, other than a road vehicle that is capital property of the supplier or person, or the retail leasing of a new tire or the long term leasing of a road vehicle, is required to be registered in respect of those activities.

The expressions "long term leasing", "new tire", "retail leasing", "retail sale" and "road vehicle" have the meanings assigned by Title IV.5 of the Act."

**193.** (1) The Act is amended by inserting the following section after section 407.6.1:

"**407.7.** Despite section 407, a person that is required, in accordance with section 477.18.3, to be registered under this division is required to be registered for the purposes of this Title."

(2) Subsection 1 applies from 1 July 2021.

**194.** (1) Section 410 of the Act is replaced by the following section:

"**410.** Every person (other than a person registered under Division II of Chapter VIII.1) that enters Québec for the purpose of making taxable supplies of admissions in respect of an activity, seminar, event or place of amusement is required to be registered and shall, before making any such supply, apply to the Minister for registration."

(2) Subsection 1 applies from 1 July 2021.

**195.** (1) Section 410.1 of the Act is amended, in the first paragraph,

(1) by replacing "under sections 407 to 407.6" in the portion before subparagraph 1 by "under any of sections 407 to 407.6 and 407.7";

(2) by replacing subparagraph 1.4 by the following subparagraph:

"(1.4) in the case of a person required under section 407.5 to be registered in respect of the retail sale of new tires or the sale of road vehicles or the retail leasing of new tires or the long term leasing of road vehicles, the day the person engages in the first sale or leasing of new tires or road vehicles in Québec;";

(3) by inserting the following subparagraph after subparagraph 1.5:

"(1.6) in the case of a person required under section 407.7 to be registered, the first day on which the person is required, in accordance with section 477.18.3, to be registered under this division; and".

(2) Paragraphs 1 and 3 of subsection 1 apply from 1 July 2021.

**196.** (1) Section 411 of the Act is amended by inserting ", 407.7" after "407.6" in the portion before subparagraph 1 of the first paragraph.

(2) Subsection 1 applies from 1 July 2021.

**197.** (1) Section 412 of the Act is amended by adding the following paragraph at the end:

"Where the application referred to in the first paragraph is made by a person that is required to be registered under section 407.7, it must also contain the registration number assigned to that person in accordance with subsection 1 of section 241 of the Excise Tax Act (Revised Statutes of Canada, 1985, chapter E-15)."

(2) Subsection 1 applies from 1 July 2021.

**198.** (1) Section 425.1.1 of the Act is replaced by the following section:

"**425.1.1.** Despite the first paragraph of section 425, a registrant who makes a supply referred to in any of sections 350.51, 350.51.1 and 350.62 shall show on the invoice referred to in any of those sections and that the registrant is required to provide to the recipient the consideration paid or payable by the recipient for the supply as well as the tax payable in respect of the supply in such a way that the amount of the tax is shown clearly and separately from the tax provided for in Part IX of the Excise Tax Act (Revised Statutes of Canada, 1985, chapter E-15)."

(2) Subsection 1 has effect from 1 December 2020.

**199.** (1) Section 442 of the Act is amended by inserting "18.0.1.1, 18.0.1.2," after "18.0.1,".

(2) Subsection 1 applies in respect of a supply made after 31 December 2012.

**200.** (1) Section 456 of the Act is amended by replacing the portion before the formula in the first paragraph by the following:

"**456.** If, in a taxation year of a registrant, tax becomes payable, or is paid without having become payable, by the registrant in respect of supplies of a passenger vehicle made under a lease and the total of the consideration for the supplies that would be deductible in computing the registrant's income for the year for the purposes of the Taxation Act (chapter I-3), if the registrant were a taxpayer under that Act and that Act were read without reference to its section 421.6, exceeds the amount in respect of that consideration that would be deductible in computing the registrant's income for the year for the purposes of that Act, if the registrant were a taxpayer under that Act and the formula in sections 99R1, 99R1.1 and 421.6R1 of the Regulation respecting the Taxation Act (chapter I-3, r. 1) were read without reference to B, there must be added in determining the net tax for the appropriate reporting period of the registrant an amount determined by the formula".

(2) Subsection 1 has effect from 19 March 2019.

**201.** (1) The heading of Chapter VIII.1 of Title I of the Act is amended by replacing "NON-RESIDENT SUPPLIERS" by "ELECTRONIC COMMERCE".

(2) Subsection 1 applies from 1 July 2021.

**202.** (1) Section 477.2 of the Act is amended

(1) by striking out the definition of "Québec consumer" in the first paragraph;

(2) by replacing the definition of “specified Québec consumer” in the first paragraph by the following definition:

"“specified Québec consumer” means a recipient of a supply in respect of which the following conditions are met:

(1) the recipient has not provided to the supplier, or to a distribution platform operator in respect of the supply, evidence satisfactory to the Minister that the recipient is registered under Division I of Chapter VIII; and

(2) the usual place of residence of the recipient, determined in accordance with section 477.3, is situated in Québec;";

(3) by inserting the following definitions in alphabetical order in the first paragraph:

"“accommodation platform operator”, in respect of a supply of short-term accommodation made through an accommodation platform, means a person (other than the supplier or an excluded operator in respect of the supply) that

(1) controls or sets the essential elements of the transaction between the supplier and the recipient;

(2) if paragraph 1 does not apply to any person, is involved, directly or through arrangements with third parties, in collecting, receiving or charging the consideration for the supply and transmitting all or part of the consideration to the supplier; or

(3) is a prescribed person;

"“distribution platform operator”, in respect of a supply of property or a service made through a specified distribution platform, means a person (other than the supplier or an excluded operator in respect of the supply) that

(1) controls or sets the essential elements of the transaction between the supplier and the recipient;

(2) if paragraph 1 does not apply to any person, is involved, directly or through arrangements with third parties, in collecting, receiving or charging the consideration for the supply and transmitting all or part of the consideration to the supplier; or

(3) is a prescribed person;

"“excluded operator” means a person that, in respect of a supply of property or a service,

(1) meets the following conditions:

(*a*) the person does not set, directly or indirectly, any of the terms and conditions under which the supply is made,

(*b*) the person is not involved, directly or indirectly, in authorizing the charge to the recipient of the supply in respect of the payment of the consideration for the supply, and

(*c*) the person is not involved, directly or indirectly, in the ordering of the property or service, or in the delivery of the property or the rendering of the service;

(2) solely provides for the listing or advertising of the property or service or for the redirecting or transferring to a digital platform on which the property or service is offered;

(3) is solely a payment processor; or

(4) is a prescribed person;

"“false statement” includes a statement that is misleading because of an omission from the statement;";

(4) by replacing the definitions of “Canadian specified supplier”, “foreign specified supplier” and “specified supplier” in the first paragraph by the following definitions:

"“Canadian specified supplier” means a specified supplier that is registered under subdivision D of Division V of Part IX of the Excise Tax Act (Revised Statutes of Canada, 1985, chapter E-15);

"“foreign specified supplier” means a specified supplier that is not resident in Canada, does not make supplies in the course of a business carried on in Canada and is not registered under subdivision D of Division V of Part IX of the Excise Tax Act;

"“specified supplier” means a person not resident in Québec that does not make supplies in the course of a business carried on in Québec and that is not registered under Division I of Chapter VIII;";

(5) by inserting the following definitions in alphabetical order in the first paragraph:

"“accommodation platform” means a digital platform through which a person facilitates the making of a supply of short-term accommodation situated in Québec by another person that is not registered under Division I of Chapter VIII;

““designated qualifying corporeal movable property supply” means a supply made by way of sale of corporeal movable property that is, under the agreement for the supply, to be delivered in Québec to a specified Québec consumer, other than

(1) an exempt or zero-rated supply;

(2) a supply of corporeal movable property sent by mail or courier to the specified Québec consumer at an address in Québec from an address outside Canada by the supplier or by another person acting on behalf of the supplier, if the supplier maintains evidence satisfactory to the Minister that the property was so sent;

(3) a supply that is deemed under section 327.9 to have been made outside Québec;

(4) a qualifying corporeal movable property supply; and

(5) a prescribed supply;

““designated supply” means a taxable supply of incorporeal movable property or a service made in Québec, other than

(1) a supply that is made through a specified distribution platform and in respect of which a person registered under Division II of this chapter or Division I of Chapter VIII is a distribution platform operator;

(2) a supply of a service

(*a*) that is made to a person in connection with a supply of short-term accommodation made to the person, and

(*b*) the consideration for which represents a booking fee, administration fee or other similar charge;

(3) a supply of a service that is deemed under section 327.9 to have been made outside Québec; and

(4) a prescribed supply;

““digital platform” includes a website, an electronic portal, gateway, store or distribution platform or any other similar electronic interface but does not include

(1) an electronic interface that solely processes payments; or

(2) a prescribed platform or interface;

““‘qualifying corporeal movable property supply” means a supply made by way of sale of corporeal movable property that is, under the agreement for the supply, to be delivered in Québec to the recipient, other than

(1) an exempt or zero-rated supply;

(2) a supply of corporeal movable property sent by mail or courier to the recipient at an address in Québec from an address outside Québec by the supplier or by another person acting on behalf of the supplier, if the supplier maintains evidence satisfactory to the Minister that the property was so sent;

(3) a supply that is deemed under section 327.9 to have been made outside Québec; and

(4) a prescribed supply;

““‘Québec accommodation related supply” means a taxable supply of a service

(1) that is made to a person in connection with a supply of short-term accommodation situated in Québec made to the person; and

(2) the consideration for which represents a booking fee, administration fee or other similar charge;

““‘specified distribution platform” means a digital platform through which a person facilitates the making of one or more of the following supplies:

(1) a designated supply by another person that is a Canadian specified supplier;

(2) a specified supply by another person that is a specified supplier;

(3) a qualifying corporeal movable property supply by another person that is not registered under Division I of Chapter VIII; or

(4) a designated qualifying corporeal movable property supply by a specified supplier;

““‘specified supply” means a taxable supply of incorporeal movable property or a service, other than

(1) a supply of incorporeal movable property that

(*a*) may not be used in Québec,

(*b*) relates to an immovable situated outside Québec, or

(*c*) relates to corporeal movable property ordinarily situated outside Québec;

(2) a supply of a service that

(*a*) may only be consumed or used outside Québec,

(*b*) is in relation to an immovable situated outside Québec, or

(*c*) is rendered in connection with criminal, civil or administrative litigation that is brought outside Québec (other than a service rendered before the commencement of such litigation) or that is in the nature of an appeal from a decision resulting from such litigation;

(3) a supply of a service that is deemed under section 327.9 to have been made outside Québec;

(4) a supply of a service

(*a*) that is made to a person in connection with a supply of short-term accommodation made to the person, and

(*b*) the consideration for which represents a booking fee, administration fee or other similar charge; and

(5) a prescribed supply.";

(6) by striking out the definitions of "specified digital platform" and "specified threshold" in the first paragraph;

(7) by striking out the second paragraph.

(2) Subsection 1 applies from 1 July 2021.

**203.** (1) Sections 477.3 and 477.4 of the Act are replaced by the following sections:

"**477.3.** To determine whether the usual place of residence of the recipient of a supply is situated in Québec, a person referred to in section 477.4.3 or 477.6 shall, in respect of the supply, have obtained in the ordinary course of the person's operations two or more pieces of information from among the following that reasonably support that conclusion:

(1) the recipient's billing address;

(2) the recipient's home address;

(3) the recipient's business address;

(4) the IP address of the device used by the recipient at the time the agreement relating to the supply is entered into or similar data obtained at that time through another geolocation method;

(5) payment-related information in respect of the recipient or other information used by the payment system, such as the recipient's payment-related bank information or the billing address used by the bank;

(6) the information from a subscriber identity module, or other similar module, used by the recipient;

(7) the place at which a landline communication service is supplied to the recipient; or

(8) any other relevant information specified by the Minister.

Where the person referred to in the first paragraph has obtained, in the ordinary course of the person's operations, two or more pieces of information from among those provided for in subparagraphs 1 to 8 of that paragraph in support of the conclusion that the usual place of residence of the recipient of a supply is situated in Québec and at least two other pieces of information from among those provided for in those subparagraphs in support of the conclusion that that usual place of residence is situated outside Québec, the person shall take into account the pieces of information that are, in the circumstances, reasonably considered to be more reliable in determining the place of residence.

Where the person referred to in the first paragraph cannot obtain two or more non-contradictory pieces of information to determine, in the ordinary course of the person's operations, the usual place of residence of the recipient of a supply, the Minister may allow an alternative method to be used.

Where the person referred to in the first paragraph has determined, in accordance with the first, second and third paragraphs, that the usual place of residence of the recipient of a supply is situated in Québec, the person has obtained in the ordinary course of the person's operations one or more addresses that are a home or business address of the recipient in Canada outside Québec and the person has not obtained in the ordinary course of the person's operations the same number or a greater number of addresses that are a home or business address of the recipient in Québec, the usual place of residence of the recipient is deemed, despite those paragraphs, to be situated outside Québec.

"**477.4.** For the purposes of this Title and despite sections 22.15.2, 22.31, 22.32 and 23, the following rules apply:

(1) a specified supply that is made by a person registered under Division II, other than a Canadian specified supplier, to a specified Québec consumer is deemed to be made in Québec; and

(2) a Québec accommodation related supply that is made by a person registered under Division II to a recipient that has not provided to the person evidence satisfactory to the Minister that the recipient is registered under Division I of Chapter VIII is deemed to be made in Québec and, where that supply is a supply to which Chapter IV applies, the supply is deemed not to be a supply to which that chapter applies."

(2) Subsection 1, where it replaces section 477.3 of the Act, applies from 1 July 2021.

(3) Subsection 1, where it replaces section 477.4 of the Act, applies

(1) in respect of a supply made after 30 June 2021; or

(2) in respect of a supply made before 1 July 2021 if all or part of the consideration for the supply becomes due after 30 June 2021 or is paid after that date without having become due.

(4) However, where section 477.4 of the Act applies in respect of a supply referred to in paragraph 2 of subsection 3 that is a specified supply or a Québec accommodation related supply, paragraph 3 of section 23 of the Act does not apply in respect of the supply and part of the consideration for the supply becomes due before 1 July 2021 or is paid before that date without having become due, the following rules apply:

(1) for the purposes of Title I of the Act, that part of the consideration is not to be included in calculating the tax payable in respect of the supply; and

(2) for the purposes of sections 18 to 18.0.3, 26 to 26.5, 279.1 to 279.4 and 472 of the Act,

(*a*) the supply is deemed to be made outside Québec, despite section 477.4 of the Act, enacted by subsection 1; and

(*b*) the part of the consideration for the supply that becomes due after 30 June 2021, or that is paid after that date without having become due, is not to be included in calculating the tax payable in respect of the supply.

**204.** (1) The Act is amended by inserting the following sections after section 477.4:

“**477.4.1.** For the purposes of this Title and despite sections 22.15.2, 22.31, 22.32 and 23, where a person that is registered under Division I of Chapter VIII or carrying on a business in Québec makes a Québec accommodation related supply, the supply is deemed to be made in Québec and, where that supply is a supply to which Chapter IV applies, the supply is deemed not to be a supply to which that chapter applies.

“**477.4.2.** For the purposes of this Title, where a particular person that is registered under Division II makes, with a registrant described in section 41.0.2, an election under section 41.0.1 in respect of a particular supply, the registrant is deemed not to have made a supply to the particular person of a service of acting as mandatary described in section 41.0.2 in respect of the particular supply.”

(2) Subsection 1, where it enacts section 477.4.1 of the Act, applies

(1) in respect of a supply made after 30 June 2021; or

(2) in respect of a supply made before 1 July 2021 if all or part of the consideration for the supply becomes due after 30 June 2021 or is paid after that date without having become due.

(3) However, where section 477.4.1 of the Act applies in respect of a supply referred to in paragraph 2 of subsection 2 that is a Québec accommodation related supply, paragraph 3 of section 23 of the Act does not apply in respect of the supply and part of the consideration for the supply becomes due before 1 July 2021 or is paid before that date without having become due, the following rules apply:

(1) for the purposes of Title I of the Act, that part of the consideration is not to be included in calculating the tax payable in respect of the supply; and

(2) for the purposes of sections 18 to 18.0.3, 26 to 26.5, 279.1 to 279.4 and 472 of the Act,

(*a*) the supply is deemed to be made outside Québec, despite section 477.4.1 of the Act, enacted by subsection 1; and

(*b*) the part of the consideration for the supply that becomes due after 30 June 2021, or that is paid after that date without having become due, is not to be included in calculating the tax payable in respect of the supply.

(4) Subsection 1, where it enacts section 477.4.2 of the Act, applies from 1 July 2021.

**205.** (1) The heading of Division II of Chapter VIII.1 of Title I of the Act is amended by adding "—SPECIFIED SYSTEM" at the end.

(2) Subsection 1 applies from 1 July 2021.

**206.** (1) The Act is amended by inserting the following section before section 477.5:

"**477.4.3.** For the purposes of this division, the threshold amount of a particular person for a period is the total of all amounts each of which is an amount that is, or that could reasonably be expected to be, the value of the consideration for a supply that is, or that could reasonably be expected to be,

(1) where the particular person is a foreign specified supplier, a specified supply made during that period by the particular person to a specified Québec consumer (other than a zero-rated supply or a supply that is deemed to have been made by another person under paragraph 1 of section 477.5.1 or subparagraph *a* of paragraph 1 of section 477.5.2);

(2) where the particular person is a Canadian specified supplier, a designated supply made during that period by the particular person to a specified Québec consumer (other than a zero-rated supply or a supply made through a specified distribution platform);

(3) where the particular person is a Canadian specified supplier, the taxable supply of corporeal movable property made in Québec during that period by the particular person to a specified Québec consumer (other than a zero-rated supply or a supply that is deemed to have been made by another person under paragraph 1 of section 477.5.5);

(4) where the particular person is a specified supplier, a Québec accommodation related supply made during that period by the particular person to another person that is not registered under Division I of Chapter VIII;

(5) where the particular person is a distribution platform operator in respect of a specified supply (other than a zero-rated supply) made during that period through a specified distribution platform by a specified supplier to a specified Québec consumer, a specified supply (other than a zero-rated supply) that a specified supplier has made during that period through the specified distribution platform to a specified Québec consumer and in respect of which the particular person or any other person is a distribution platform operator;

(6) where the particular person is a distribution platform operator in respect of a designated qualifying corporeal movable property supply or a qualifying corporeal movable property supply made during that period through a specified distribution platform by a specified supplier to a specified Québec consumer, a designated qualifying corporeal movable property supply or a qualifying corporeal movable property supply that a specified supplier has made during that period through the specified distribution platform to a specified Québec consumer and in respect of which the particular person or any other person is a distribution platform operator; or

(7) where the particular person is an accommodation platform operator in respect of an accommodation supply—being a taxable supply of short-term accommodation situated in Québec made by a person that is not registered under Division I of Chapter VIII to a recipient that is not registered under that division—that is made during that period through an accommodation platform, an accommodation supply that is made during that period through the accommodation platform and in respect of which the particular person or any other person is an accommodation platform operator.

For the purposes of subparagraphs 2 and 3 of the first paragraph, this Title is to be read without reference to section 23.

Where the consideration for a supply is expressed in foreign currency, the person referred to in the first paragraph shall, for the purpose of computing the total described in that paragraph and despite section 56, use a fair and reasonable conversion method to convert the value of the consideration into Canadian currency, provided the method is used consistently by the person to determine the total described in that paragraph."

(2) Subsection 1 applies from 1 July 2021. It also applies in respect of a supply referred to in section 477.4 of the Act, enacted by subsection 1 of section 203 of this Act, in section 477.4.1 of the Act, enacted by subsection 1 of section 204 of this Act, or in any of sections 477.5.1 to 477.5.5 of the Act, enacted by subsection 1 of section 208 of this Act, that is made before 1 July 2021 if all or part of the consideration for the supply becomes due after 30 June 2021 or is paid after that date without having become due.

**207.** (1) Section 477.5 of the Act is amended

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

"Every person (other than a registrant or a person that carries on a business in Québec) that is a specified supplier at any time, a distribution platform operator in respect of a supply made at any time or an accommodation platform operator in respect of a supply made at any time is required at that time to be registered under this division if the threshold amount of the person for any period of 12 months that includes that time (other than a period that begins before 1 July 2021) exceeds $30,000.";

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

"Where a person that is registered under this division becomes registered under Division I of Chapter VIII on a particular day, the person ceases to be registered under this division effective on the particular day.

The Minister may, after giving a person that is registered under this division reasonable written notice, cancel the registration of the person if the Minister is satisfied that the registration is not required for the purposes of this division.

On request from a person, the Minister may cancel the registration of the person under this division if the Minister is satisfied that the registration is not required for the purposes of this division.

Where the Minister cancels the registration of a person under the sixth or seventh paragraph, the Minister shall notify the person of the cancellation and its effective date."

(2) Subsection 1 applies from 1 July 2021. It also applies in respect of a supply referred to in section 477.4 of the Act, enacted by subsection 1 of section 203 of this Act, in section 477.4.1 of the Act, enacted by subsection 1 of section 204 of this Act, or in any of sections 477.5.1 to 477.5.5 of the Act,

enacted by subsection 1 of section 208 of this Act, that is made before 1 July 2021 if all or part of the consideration for the supply becomes due after 30 June 2021 or is paid after that date without having become due.

(3) For the purposes of the first paragraph of section 477.5 of the Act, the supply referred to in subsection 2 is deemed to be made on 1 July 2021.

**208.** (1) The Act is amended by inserting the following division after section 477.5:

"**DIVISION II.1**

"PRESUMPTIONS—SUPPLIERS

"**477.5.1.** Where a specified supply is made through a specified distribution platform by a specified supplier to a specified Québec consumer and where another person registered under Division II is a distribution platform operator in respect of the specified supply, then, for the purposes of this Title (except for sections 407 to 412 and 477.2 and subparagraph 5 of the first paragraph of section 477.4.3), the following rules apply:

(1) the specified supply is deemed to have been made by the other person and not by the specified supplier; and

(2) the other person is deemed not to have made a supply of services relating to the specified supply to the specified supplier.

"**477.5.2.** Where a specified supply is made through a specified distribution platform by a specified supplier, where another person that is registered under Division I of Chapter VIII, or that carries on a business in Québec, is a distribution platform operator in respect of the specified supply and where, but for section 23, the specified supply would have been made in Québec, the following rules apply:

(1) where the other person is registered under Division I of Chapter VIII, for the purposes of this Title (except for sections 407 to 412 and 477.2 and subparagraph 5 of the first paragraph of section 477.4.3),

(*a*) the specified supply is deemed to have been made by the other person and not by the specified supplier, and

(*b*) the other person is deemed not to have made a supply of services relating to the specified supply to the specified supplier; and

(2) in any other case, for the purposes of sections 294 to 297, 462 and 462.1, the specified supply is deemed to have been made by the other person and not by the specified supplier.

“**477.5.3.** Where a particular supply that is a taxable supply of short-term accommodation situated in Québec is made through an accommodation platform by a particular person that is not registered under Division I of Chapter VIII, where another person that is registered under Division II is an accommodation platform operator in respect of the particular supply and where the recipient has not provided to the other person evidence satisfactory to the Minister that the recipient is registered under Division I of Chapter VIII, then, for the purposes of this Title (except for sections 294 to 297, 407 to 412, 462, 462.1 and 477.2 and subparagraph 7 of the first paragraph of section 477.4.3), the following rules apply:

(1) the particular supply is deemed to have been made by the other person and not by the particular person; and

(2) the other person is deemed not to have made a supply of services relating to the particular supply to the particular person.

“**477.5.4.** Where a particular supply that is a taxable supply of short-term accommodation situated in Québec is made through an accommodation platform by a particular person that is not registered under Division I of Chapter VIII and where another person that is registered under that division, or that carries on a business in Québec, is an accommodation platform operator in respect of the particular supply, then, for the purposes of this Title (except for sections 294 to 297, 462 and 462.1, in respect of the particular person, and except for sections 407 to 412 and 477.2 and subparagraph 7 of the first paragraph of section 477.4.3), the following rules apply:

(1) the particular supply is deemed to have been made by the other person and not by the particular person; and

(2) the other person is deemed not to have made a supply of services relating to the particular supply to the particular person.

“**477.5.5.** Where a designated qualifying corporeal movable property supply or a qualifying corporeal movable property supply is made through a specified distribution platform by a specified supplier to a specified Québec consumer and where another person that is registered under Division II is a distribution platform operator in respect of the supply of the property, then, for the purposes of this Title (except for sections 407 to 412 and 477.2 and subparagraph 6 of the first paragraph of section 477.4.3), the following rules apply:

(1) the supply of the property is deemed to have been made by the other person and not by the specified supplier;

(2) sections 22.7, 22.9 and 23 do not apply in respect of the supply of the property and the supply is deemed to have been made in Québec; and

(3) the other person is deemed not to have made a supply of services relating to the supply of the property to the specified supplier.

"**477.5.6.** Where a particular person that is deemed not to have made a supply under paragraph 1 of any of sections 477.5.1 and 477.5.3 to 477.5.5 or subparagraph *a* of paragraph 1 of section 477.5.2 made a false statement to another person that is deemed to have made the supply under any of those paragraphs 1 or that subparagraph *a*, as the case may be, and where the false statement is relevant to the determination of whether the other person is required to collect the tax payable under section 16 in respect of the supply or the determination of the amount of that tax that the other person is required to collect, the particular person and the other person are solidarily liable for all obligations under this Title in respect of the supply that arise because of

(1) the tax in respect of the supply becoming collectible by the other person; and

(2) a failure to account for or pay, in the manner and within the time specified in this Title, an amount of net tax or specified net tax of the other person, or an amount that was paid to the other person or applied on account of a refund or rebate to which the other person was not entitled or that exceeds the refund or rebate to which the other person was entitled, that is reasonably attributable to the supply.

Where the other person did not know and could not reasonably be expected to have known that the particular person made a false statement, where the other person relied in good faith on the false statement and where, because of such reliance, the other person did not charge, collect or remit the amount of tax in respect of the supply that the other person was required to charge, collect or remit, the Minister is not to assess the other person under section 25 of the Tax Administration Act (chapter A-6.002) for obligations provided for in this Title in respect of the supply in excess of the obligations in respect of the supply that arise because of the other person having charged, collected or remitted an amount of tax in respect of the supply."

(2) Subsection 1, where it enacts sections 477.5.1 to 477.5.5 of the Act, applies

(1) in respect of a supply made after 30 June 2021; or

(2) in respect of a supply made before 1 July 2021 if all or part of the consideration for the supply becomes due after 30 June 2021 or is paid after that date without having become due.

(3) However, where section 477.5.3 or 477.5.4 of the Act applies in respect of a supply referred to in paragraph 2 of subsection 2 that is the supply of short-term accommodation and part of the consideration for the supply becomes due before 1 July 2021 or is paid before that date without having become due, that part of the consideration is not to be included in calculating the tax payable in respect of the supply for the purposes of Title I of the Act.

(4) Subsection 1, where it enacts section 477.5.6 of the Act, applies from 1 July 2021.

**209.** (1) The heading of Division III of Chapter VIII.1 of Title I of the Act is amended by adding "—SPECIFIED SYSTEM" at the end.

(2) Subsection 1 applies from 1 July 2021.

**210.** (1) Section 477.6 of the Act is replaced by the following section:

"**477.6.** A foreign specified supplier that is registered under Division II and that makes a specified supply in Québec to a specified Québec consumer shall, as a mandatary of the Minister, collect the tax payable by the specified Québec consumer under section 16 in respect of the supply.

A Canadian specified supplier that is registered under Division II and that makes a designated supply or a taxable supply of corporeal movable property in Québec to a specified Québec consumer shall, as a mandatary of the Minister, collect the tax payable by the specified Québec consumer under section 16 in respect of the supply.

A person registered under Division II that is deemed, under paragraph 1 of sections 477.4 and 477.5.1, to make a specified supply in Québec to a specified Québec consumer or that is deemed, under paragraphs 1 and 2 of section 477.5.5, to make a qualifying corporeal movable property supply or a designated qualifying corporeal movable property supply in Québec to a specified Québec consumer shall, as a mandatary of the Minister, collect the tax payable by the specified Québec consumer under section 16 in respect of the supply.

A person registered under Division II that is deemed, under paragraph 1 of section 477.5.3, to make a taxable supply of short-term accommodation situated in Québec shall, as a mandatary of the Minister, collect the tax payable by the recipient under section 16 in respect of the supply.

A specified supplier registered under Division II that makes a Québec accommodation related supply in Québec to a recipient that has not provided to the supplier evidence satisfactory to the Minister that the recipient is registered under Division I of Chapter VIII shall, as a mandatary of the Minister, collect the tax payable by the recipient under section 16 in respect of the supply."

(2) Subsection 1 applies

(1) in respect of a supply made after 30 June 2021; or

(2) in respect of a supply made before 1 July 2021 if all or part of the consideration for the supply becomes due after 30 June 2021 or is paid after that date without having become due.

(3) However, where section 477.6 of the Act applies in respect of a supply referred to in paragraph 2 of subsection 2 that is the supply of short-term accommodation and part of the consideration for the supply becomes due before 1 July 2021 or is paid before that date without having become due, that part of the consideration is not to be included in calculating the tax payable in respect of the supply for the purposes of Title I of the Act.

**211.** (1) Section 477.6.1 of the Act, enacted by section 237 of chapter 14 of the statutes of 2021, is replaced by the following section:

"**477.6.1.** A supplier to which the first or second paragraph of section 477.6 applies or a person to which the third paragraph of that section applies is not required to collect the tax payable by a specified Québec consumer under section 16 in respect of a taxable supply of an emission allowance."

(2) Subsection 1 applies

(1) in respect of a supply made after 30 June 2021; or

(2) in respect of a supply made before 1 July 2021 if all or part of the consideration for the supply becomes due after 30 June 2021 or is paid after that date without having become due.

**212.** (1) The heading of Division IV of Chapter VIII.1 of Title I of the Act is amended by adding "—SPECIFIED SYSTEM" at the end.

(2) Subsection 1 applies from 1 July 2021.

**213.** (1) Sections 477.8 and 477.9 of the Act are replaced by the following sections:

"**477.8.** For the purposes of this chapter and subject to section 477.9, the reporting period of a person registered under Division II at a particular time corresponds to the calendar quarter that includes that time.

"**477.9.** Where a person becomes registered under Division II on a particular day, the following periods are deemed to be separate reporting periods of the person:

(1) the period beginning on the first day of the reporting period of the person, otherwise determined under subdivision 1 of Division IV of Chapter VIII, that includes the particular day and ending on the day immediately preceding the particular day; and

(2) the period beginning on the particular day and ending on the last day of the calendar quarter that includes the particular day.

Where a person ceases to be registered under Division II on a particular day, the following periods are deemed to be separate reporting periods of the person:

(1) the period beginning on the first day of the calendar quarter that includes the particular day and ending on the day immediately preceding the particular day; and

(2) the period beginning on the particular day and ending on the last day of the reporting period of the person, otherwise determined under subdivision 1 of Division IV of Chapter VIII, that includes the particular day."

(2) Subsection 1 applies from 1 July 2021.

**214.** (1) Section 477.17 of the Act is amended

(1) by replacing the portion before the formula in the first paragraph by the following:

"**477.17.** Subject to the third and fourth paragraphs, a person that is resident in Canada and is the recipient of a specified supply made by a foreign specified supplier is entitled to a rebate of the tax paid by the person under section 16 in respect of the supply equal to the amount determined by the formula";

(2) by inserting "in respect of which the supply is made" after "service" in subparagraph 2 of the second paragraph.

(2) Subsection 1 applies from 1 July 2021.

**215.** (1) The Act is amended by inserting the following after section 477.18:

"**477.18.1.** No amount of an input tax refund, rebate, refund or remission under this or any other Act of the Parliament of Québec shall be credited, paid or granted to the recipient of a supply to the extent that it is reasonable to consider that the amount is determined, directly or indirectly, in relation to an amount that is collected as or on account of tax or in relation to an amount of tax that is required to be collected in respect of the supply by a particular person registered under Division II.

The first paragraph does not apply

(1) in respect of an amount that the recipient may claim as a rebate under subdivision 5 of Division I of Chapter VII if the recipient is not registered under Division I of Chapter VIII, as a rebate under section 400 or as a refund under section 21 of the Tax Administration Act (chapter A-6.002);

(2) in respect of an amount that is adjusted, refunded or credited by the particular person under any of sections 447, 448 and 477.16; and

(3) for prescribed purposes.

“**DIVISION IV.1**

“CORPOREAL MOVABLE PROPERTY

“**477.18.2.** In this division, “specified recipient”, in respect of a supply of property, means a person (other than a person not resident in Québec that is not a consumer of the property) that is the recipient of the supply and that is not registered under Division I of Chapter VIII.

“**477.18.3.** Every person that is not resident in Québec and does not make supplies at any time in the course of a business carried on in Québec, or that is a distribution platform operator in respect of a supply made at any time, is required at that time to be registered under Division I of Chapter VIII if, for any period of 12 months that includes that time (other than a period that begins before 1 July 2021), the amount determined by the following formula is greater than $30,000:

A + B.

For the purposes of the formula in the first paragraph,

(1) A is the total of all amounts, each of which is an amount that is, or that could reasonably be expected to be, the value of the consideration for a taxable supply that is, or that could reasonably be expected to be, a qualifying corporeal movable property supply made by the person during that period to a specified recipient (other than a supply deemed to have been made by the person under subparagraph *a* of subparagraph 1 of the first paragraph of section 477.18.4); and

(2) B is

(*a*) where the person is a distribution platform operator in respect of a qualifying corporeal movable property supply made during that period through a specified distribution platform, the total of all amounts, each of which is an amount that is, or that could reasonably be expected to be, the value of the consideration for a supply that is, or that could reasonably be expected to be, a qualifying corporeal movable property supply made during that period through the specified distribution platform to a specified recipient and in respect of which the person or any other person is a distribution platform operator, and

(*b*) in any other case, zero.

“**477.18.4.** Where a particular supply that is a qualifying corporeal movable property supply or a designated qualifying corporeal movable property supply is made through a specified distribution platform by a particular person that is not registered under Division I of Chapter VIII and where another person that is registered under that division, or is carrying on a business in Québec, is a distribution platform operator in respect of the particular supply, the following rules apply:

(1) for the purposes of this Title (except for sections 294 to 297, 462 and 462.1, in respect of the particular person, and except for sections 407 to 412 and 477.2 and subparagraph *a* of subparagraph 2 of the second paragraph of section 477.18.3),

(*a*) the particular supply is deemed to have been made by the other person and not by the particular person, and

(*b*) the particular supply is deemed to be a taxable supply;

(2) for the purposes of this Title (except for sections 327.1 to 327.7), the other person is deemed not to have made a supply of services relating to the particular supply to the particular person; and

(3) where the other person is registered under Division I of Chapter VIII, where the particular person has paid tax under section 17 in respect of the bringing into Québec of the corporeal movable property, where no person is entitled to claim an input tax refund or a rebate under this Title in respect of the tax in respect of the bringing into Québec of the property, where no person is deemed under section 327.7 to have paid tax in respect of a supply of the corporeal movable property equal to the tax in respect of the bringing into Québec of the property and where the particular person provides to the other person evidence satisfactory to the Minister that the tax in respect of the bringing into Québec of the property has been paid,

(*a*) for the purpose of determining an input tax refund of the other person, the other person is deemed

i. to have paid, at the time the particular person paid the tax in respect of the bringing into Québec of the property, tax in respect of a supply of the corporeal movable property made to the other person equal to the tax in respect of the bringing into Québec of the property, and

ii. to have acquired the corporeal movable property for use exclusively in its commercial activities, and

(*b*) no portion of the tax in respect of the bringing into Québec of the property that has been paid by the particular person shall be rebated, refunded or remitted to the particular person, or shall otherwise be recovered by the particular person, under this or any other Act of the Parliament of Québec.

For the purposes of the first paragraph, the definition of "designated qualifying corporeal movable property supply" in section 477.2 is to be read as if all occurrences of "specified Québec consumer" were replaced by "recipient", with the necessary modifications.

“**477.18.5.** Where a particular person that is deemed not to have made a supply under subparagraph *a* of subparagraph 1 of the first paragraph of section 477.18.4 made a false statement to another person that is deemed to have made the supply under that subparagraph *a* and where the false statement is relevant to the determination of whether the other person is required to collect the tax payable under section 16 in respect of the supply or the determination of the amount of that tax that the other person is required to collect, the particular person and the other person are solidarily liable for all obligations under this Title in respect of the supply that arise because of

(1) the tax in respect of the supply becoming collectible by the other person; and

(2) a failure to account for or pay, in the manner and within the time specified in this Title, an amount of net tax of the other person, or an amount that was paid to the other person or applied on account of a refund or rebate to which the other person was not entitled or that exceeds the refund or rebate to which the other person was entitled, that is reasonably attributable to the supply.

Where a particular person provides to another person evidence that tax under section 17 has been paid in respect of the bringing into Québec of corporeal movable property, where the particular person made a false statement to the other person that is relevant to the determination of whether subparagraph 3 of the first paragraph of section 477.18.4 is applicable in respect of the bringing into Québec of the property and where the other person claimed an input tax refund (in this section referred to as the “non-allowable input tax refund”) to which the other person was not entitled but would have been entitled if that subparagraph 3 were applicable in respect of the bringing into Québec of the property, the particular person and the other person are solidarily liable for all obligations provided for in this Title that arise because of the other person having claimed the non-allowable input tax refund.

Where the other person did not know and could not reasonably be expected to have known that the particular person made a false statement, where the other person relied in good faith on the false statement and where, because of such reliance, the other person either did not charge, collect or remit the amount of tax in respect of the supply that the other person was required to charge, collect or remit, or claimed the non-allowable input tax refund, the Minister is not to assess the other person under section 25 of the Tax Administration Act (chapter A-6.002) for

(1) obligations provided for in this Title in respect of the supply in excess of the obligations that arise because of the other person having charged, collected or remitted an amount of tax in respect of the supply; or

(2) obligations provided for in this Title that arise because of the other person having claimed the non-allowable input tax refund.

“**477.18.6.** A particular person (other than a prescribed person) that in the course of a business makes one or more particular supplies of a service of storing in Québec corporeal movable property (other than a service that is incidental to the supply of a freight transportation service, as defined in section 193) offered for sale by another person not resident in Québec shall

(1) notify the Minister of this fact, by filing the information required by the Minister in the manner determined by the Minister, on or before

(*a*) 1 January 2022, where the particular person makes those particular supplies in the course of a business carried on as of 1 July 2021, or, in any other case, the last day of the six-month period that follows the day on which the particular person last began making those particular supplies in the course of a business, or

(*b*) any later day that the Minister determines; and

(2) in respect of those particular supplies, maintain records containing information determined by the Minister.

“**DIVISION IV.2**

“INFORMATION RETURNS

“**477.18.7.** A person (other than a prescribed person) that is a registrant at any time in a calendar year and that is a distribution platform operator in respect of a qualifying corporeal movable property supply or a designated qualifying corporeal movable property supply made in the calendar year shall file with the Minister an information return for the calendar year, containing the information determined by the Minister, before 1 July of the following calendar year.

“**477.18.8.** A person (other than a prescribed person) that, at any time in a calendar year, is registered or required to be registered under Division II, or is a registrant, and that is an accommodation platform operator in respect of a supply of short-term accommodation situated in Québec made in the calendar year shall file with the Minister an information return for the calendar year, containing the information determined by the Minister, before 1 July of the following calendar year.”

(2) Subsection 1, where it enacts section 477.18.1 of the Act, has effect from 1 January 2019.

(3) Subsection 1, where it enacts the headings of Divisions IV.1 and IV.2 of Chapter VIII.1 of Title I and sections 477.18.5 and 477.18.6 of the Act, applies from 1 July 2021.

(4) Subsection 1, where it enacts sections 477.18.2 and 477.18.3 of the Act, applies either from 1 July 2021 or in respect of a supply referred to in section 477.18.4 of the Act, enacted by subsection 1, that is made before 1 July 2021 if all of the consideration for the supply becomes due after 30 June 2021 or is paid after that date without having become due.

(5) For the purposes of the first paragraph of section 477.18.3 of the Act, the supply referred to in subsection 4 is deemed to be made on 1 July 2021.

(6) Subsection 1, where it enacts section 477.18.4 of the Act, applies

(1) in respect of a supply made after 30 June 2021; or

(2) in respect of a supply made before 1 July 2021 if all of the consideration for the supply becomes due after 30 June 2021 or is paid after that date without having become due.

(7) Subsection 1, where it enacts sections 477.18.7 and 477.18.8 of the Act, applies from the calendar year 2021. However, where those sections apply to the calendar year 2021, they are to be read as if the calendar year were the portion of that calendar year that begins on 1 July and ends on 31 December.

**216.** (1) The heading of Division V of Chapter VIII.1 of Title I of the Act is replaced by the following heading:

"PROHIBITION AND PENALTY".

(2) Subsection 1 applies from 1 July 2021.

**217.** (1) The Act is amended by inserting the following section before section 477.19:

"**477.18.9.** No person shall, in respect of a supply of property or a service made to a particular person that is a consumer of the property or service, provide to another person that is registered under Division II evidence that the particular person is registered under Division I of Chapter VIII."

(2) Subsection 1 applies from 1 July 2021.

**218.** Section 477.19 of the Act is replaced by the following section:

"**477.19.** The recipient of a supply of property or a service that evades or attempts to evade the payment or collection of tax under section 16 in respect of the supply by providing false information to a person referred to in section 477.6 or, if the recipient is a consumer of the property or service, by providing to that person evidence that the recipient is registered under Division I of Chapter VIII shall incur a penalty equal to the greater of $250 and 50% of the amount the payment or collection of which the recipient evaded or attempted to evade."

**219.** (1) Section 541.23 of the Act is amended by inserting the following definition in alphabetical order in the first paragraph:

"“reporting period” of a person at a particular time means the calendar quarter that includes that time;”.

(2) Subsection 1 has effect from 1 January 2020.

**220.** (1) Section 541.26 of the Act is amended by replacing the first and second paragraphs by the following paragraphs:

“Every person who is required to collect the tax or any of the amounts referred to in section 541.25 during a reporting period shall keep an account thereof and, on or before the last day of the month following the end of the reporting period, render an account to the Minister, in the prescribed form containing prescribed information, of the tax or any of those amounts that the person has collected or should have collected for the reporting period and, on or before that last day, remit the tax or amount to the Minister.

A person shall render an account to the Minister even if no amount relating to the supply of an accommodation unit giving rise to the tax or to any of the amounts referred to in section 541.25 was received during the reporting period.”

(2) Subsection 1 has effect from 1 January 2020.

**221.** (1) Section 541.30 of the Act is amended by adding the following paragraph at the end:

“Despite the second paragraph, in the case of a person operating a digital accommodation platform, the second paragraph of section 415 is to be read without reference to “shall be kept at the principal establishment of its holder in Québec and”.”

(2) Subsection 1 has effect from 29 August 2017.

**222.** Section 541.48 of the Act is amended by striking out the definition of “collection officer”.

**223.** Section 541.53 of the Act is amended by striking out the fourth paragraph.

**224.** Section 541.57 of the Act is amended by striking out the third and fourth paragraphs.

**225.** Section 541.59 of the Act is amended by striking out the second paragraph.

**226.** Chapter V of Title IV.5 of the Act, comprising sections 541.60 to 541.62, is repealed.

**227.** Sections 541.63 and 541.64 of the Act are repealed.

**228.** Section 541.65 of the Act is amended by striking out "collection officer or" in the first paragraph.

**229.** Section 541.67 of the Act is repealed.

**230.** Section 541.68 of the Act is replaced by the following section:

"**541.68.** Every person who contravenes sections 541.50, 541.51, 541.53, 541.54, the third paragraph of section 541.56 or section 541.59 is liable to a fine of not less than $200 nor more than $5,000."

**231.** (1) Section 677 of the Act, amended by section 238 of chapter 14 of the statutes of 2021 and by section 18 of chapter 15 of the statutes of 2021, is again amended, in the first paragraph,

(1) by striking out subparagraph 38.2;

(2) by inserting the following subparagraph after subparagraph 50.1.1:

"(50.1.1.1) determine, for the purposes of section 477.2, the prescribed persons, the prescribed supplies, the prescribed platforms and the prescribed interfaces;";

(3) by inserting the following subparagraphs after subparagraph 50.1.2:

"(50.1.3) determine, for the purposes of section 477.18.1, the prescribed purposes;

"(50.1.4) determine, for the purposes of section 477.18.6, the prescribed persons;

"(50.1.5) determine, for the purposes of section 477.18.7, the prescribed persons;

"(50.1.6) determine, for the purposes of section 477.18.8, the prescribed persons;";

(4) by striking out subparagraph 55.2.

(2) Paragraphs 2 and 3 of subsection 1 apply from 1 July 2021.

ACT TO AMEND THE TAXATION ACT, THE ACT RESPECTING THE QUÉBEC SALES TAX AND OTHER LEGISLATIVE PROVISIONS

**232.** (1) Section 549 of the Act to amend the Taxation Act, the Act respecting the Québec sales tax and other legislative provisions (2019, chapter 14) is amended by replacing subsection 2 by the following subsection:

"(2) Subsection 1 applies from 1 January 2018."

(2) Subsection 1 has effect from 19 June 2019.

(3) An amount to be paid to the Minister of Revenue under section 290 of the Act respecting the Québec sales tax (chapter T-0.1) in respect of a reporting period, by reason of the application of subsection 1, is deemed to have been paid to the Minister on or before the day on which the return for that period was required to be filed, if it is paid on or before 31 October 2021 or, if it is later, the day on which the return for the first reporting period that begins after 4 June 2021 is required to be filed.

(4) Despite the second paragraph of section 25 of the Tax Administration Act (chapter A-6.002), the Minister of Revenue may determine or redetermine the amount of the duties, interest and penalties owed by a person in respect of an amount to be paid referred to in subsection 3.

REGULATION RESPECTING THE TAXATION ACT

**233.** (1) The Regulation respecting the Taxation Act (chapter I-3, r. 1) is amended by inserting the following section after section 1R7:

"**1R8.** For the purposes of the definition of "zero-emission vehicle" in section 1 of the Act,

(*a*) it is a prescribed condition that the motor vehicle have a battery capacity of at least seven kilowatt-hours;

(*b*) the election provided for in section 130R134.1 is a prescribed election; and

(*c*) the federal incentive for the purchase of a zero-emission vehicle announced in the federal budget plan of 19 March 2019 is a prescribed program."

(2) Subsection 1 has effect from 19 March 2019.

**234.** (1) The Regulation is amended by inserting the following section after section 99R1:

"**99R1.1.** For the purposes of paragraph *d*.5 of section 99 of the Act, the amount prescribed in respect of a zero-emission passenger vehicle of a taxpayer is equal to the amount determined by the formula

A + B.

In the formula in the first paragraph,

(*a*) A is $55,000; and

(*b*) B is the sum of the federal and provincial sales taxes that would have been payable on the acquisition of the zero-emission passenger vehicle if it had been acquired by the taxpayer at a cost equal, at the time of the acquisition, to the amount specified in subparagraph *a*, before the application of those sales taxes."

(2) Subsection 1 has effect from 19 March 2019.

**235.** (1) Section 130R3 of the Regulation, amended by section 3 of the Regulation to amend the Regulation respecting the Taxation Act, enacted by Order in Council 164-2021 dated 24 February 2021, is again amended by replacing the portion of the definition of "accelerated investment incentive property" in the first paragraph before paragraph *a* by the following:

"“accelerated investment incentive property” means property of a taxpayer (other than property included in Class 54 or 55 in Schedule B) that".

(2) Subsection 1 has effect from 19 March 2019.

**236.** (1) Section 130R22 of the Regulation is amended by adding the following paragraphs at the end:

"(*z*.18) Class 54: 30%; and

"(*z*.19) Class 55: 40%."

(2) Subsection 1 has effect from 19 March 2019.

**237.** (1) Section 130R120 of the Regulation, amended by section 18 of the Regulation to amend the Regulation respecting the Taxation Act, enacted by Order in Council 164-2021 dated 24 February 2021, is again amended

(1) by replacing the portion of subparagraph *a* of the second paragraph before subparagraph 1 of subparagraph i by the following:

"(*a*) A is, in respect of property of the class that is considered to be available for use by the taxpayer in the year and that is accelerated investment incentive property or property included in Class 54 or 55 in Schedule B, one of the following factors:

i. if the property is not described in section 130R62 or in any of subparagraphs ii, v and vi and is not included in any of Classes 12, 13, 14, 15, 43.1, 43.2, 53, 54 and 55, or in Class 43 in the circumstances described in subparagraph vii,";

(2) by inserting the following subparagraphs after subparagraph vii of subparagraph *a* of the second paragraph:

"vii.1. if the property is included in Class 54,

(1) 7/3, if the property is considered to be available for use before 1 January 2024,

(2) 3/2, if the property is considered to be available for use after 31 December 2023 and before 1 January 2026, and

(3) 5/6, if the property is considered to be available for use after 31 December 2025,

"vii.2. if the property is included in Class 55,

(1) 3/2, if the property is considered to be available for use before 1 January 2024,

(2) 7/8, if the property is considered to be available for use after 31 December 2023 and before 1 January 2026, and

(3) 3/8, if the property is considered to be available for use after 31 December 2025, and";

(3) by replacing subparagraph *a* of the third paragraph by the following subparagraph:

"(*a*) D is the total of all amounts each of which is an amount referred to in subparagraph i of subparagraph *e* of the first paragraph of section 93 of the Act in respect of property of the class that is considered to be available for use in the year and that is accelerated investment incentive property or property included in Class 54 or 55 in Schedule B; and";

(4) by replacing subparagraph 2 of subparagraph ii of subparagraph *a* of the fourth paragraph by the following subparagraph:

"(2) property included in any of Classes 13, 14, 15, 23, 24, 27, 29, 34, 52, 54 and 55 in Schedule B,".

(2) Subsection 1 has effect from 19 March 2019.

**238.** (1) The Regulation is amended by inserting the following section after section 130R134:

"**130R134.1.** A taxpayer may elect not to include a property in Class 54 or 55 in Schedule B, as the case may be, provided the election is made in the taxpayer's fiscal return for the taxation year in which the property was acquired by the taxpayer, on or before the taxpayer's filing-due date for that year."

(2) Subsection 1 has effect from 19 March 2019.

**239.** (1) Section 130R148 of the Regulation is replaced by the following section:

"**130R148.** Subject to sections 130R149, 130R150.2 and 130R150.3 and for the purposes of this Title and Schedule B, where a property, immediately before it was acquired by a taxpayer, was property of a prescribed class or a separate prescribed class of the person from whom it was so acquired, the property is deemed to be property of that same prescribed class or separate prescribed class, as the case may be, of the taxpayer."

(2) Subsection 1 has effect from 19 March 2019.

**240.** (1) The Regulation is amended by inserting the following section after section 130R150.2:

"**130R150.3.** Section 130R148 does not apply to an acquisition of property referred to therein by a taxpayer from a person in respect of which the property is a zero-emission vehicle included in Class 54 or 55 in Schedule B."

(2) Subsection 1 has effect from 19 March 2019.

**241.** (1) Section 712R1 of the Regulation is amended by replacing the definition of "organization" by the following definition:

""organization" means a registered charity, a registered national arts service organization, a registered journalism organization, a recognized arts organization, a recognized political education organization, a registered museum, a registered cultural or communications organization, a registered Canadian amateur athletic association or a registered Québec amateur athletic association;".

(2) Subsection 1 has effect from 1 January 2020.

**242.** (1) Schedule B to the Regulation is amended by adding the following classes at the end:

“**CLASS 54**

**(30%)**

(*ss. 130R22, 130R120, 130R134.1, 130R150.3*)

“Property that is a zero-emission vehicle and that is not included in any of Classes 16, 18 and 55.

“**CLASS 55**

**(40%)**

(*ss. 130R22, 130R120, 130R134.1, 130R150.3*)

“Property that is a zero-emission vehicle and that would otherwise be included in Class 16 or 18.”

(2) Subsection 1 has effect from 19 March 2019.

REGULATION RESPECTING THE QUÉBEC SALES TAX

**243.** (1) Section 434R8.10 of the Regulation respecting the Québec sales tax (chapter T-0.1, r. 2) is amended

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

“For the purposes of sections 434R8.1 to 434R8.14, if an amount is deemed under any of paragraphs *d*.3 to *d*.5 of section 99 of the Taxation Act (chapter I-3) to be the capital cost to a registrant of a passenger vehicle for the purposes of that section, the amount, if any, by which the total of all amounts each of which is an amount of tax that is deemed under section 434R8.8 to have become payable, or to have been paid without having become payable, by the registrant in respect of the acquisition or bringing into Québec of the vehicle or the acquisition or bringing into Québec of an improvement to the vehicle, exceeds the amount determined by the formula provided for in the second paragraph shall not be included in determining an input tax refund of the registrant for any reporting period of the registrant.”;

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

“(2) B is the amount that is deemed under any of paragraphs *d*.3 to *d*.5 of section 99 of the Taxation Act to be the capital cost to the registrant of the vehicle for the purposes of that section.”

(2) Subsection 1 has effect from 19 March 2019.

FINAL PROVISION

**244.** This Act comes into force on 4 June 2021, except for section 1, section 4 where it enacts section 37.1.7 of the Tax Administration Act (chapter A-6.002), sections 6 and 7, paragraphs 1 and 2 of subsection 1 of section 173, sections 177, 181, 185, 186, 193 and 194, paragraphs 1 and 3 of subsection 1 of section 195, sections 196, 197 and 201 to 218 and paragraphs 2 and 3 of subsection 1 of section 231, which come into force on 29 June 2021.