

1989, chapter 43

AN ACT TO AMEND THE MINING DUTIES ACT

Bill 126

Introduced by Mr Raymond Savoie, Minister for Mines and Native Affairs

Introduced 26 April 1989

Passage in principle 1 June 1989

Passage 21 June 1989

Assented to 22 June 1989

Coming into force: 22 June 1989

Act amended:

Mining Duties Act (R.S.Q., chapter D-15)





CHAPTER 43

An Act to amend the Mining Duties Act

[Assented to 22 June 1989]

THE PARLIAMENT OF QUÉBEC ENACTS AS FOLLOWS:

c. D-15,
s. 18.1,
replaced

1. Section 18.1 of the Mining Duties Act (R.S.Q., chapter D-15) is replaced by the following section:

Mining
exploration
expenses

“18.1 The mining exploration and development expenses referred to in subparagraphs *c* and *d* of section 18 do not include any outlay or expense incurred to the extent that the outlay or expense constitutes an expense incurred

(*a*) by a person, including a partnership, pursuant to an agreement entered into with an operator or another corporation or partnership, under which the person incurs such expense solely as consideration for a share of the capital stock of the operator or of another corporation or partnership, for an interest in a partnership, or for an interest or right attaching to the share or interest; or

(*b*) by a corporation, including the operator, where a share of the capital stock of the corporation was issued to a person, including a partnership, pursuant to an agreement in writing entered into between the person and the corporation, under which the corporation, for any purpose, agreed to incur such expense and to renounce to the person an amount in respect of the expense so incurred by the corporation not exceeding the consideration received by it for the share.”

Application

This section applies in respect of expenses incurred after 28 February 1986.

c. D-15,
s. 27, am.

2. Section 27 of the said Act is amended by replacing paragraph *c* by the following paragraph:

“(c) any outlay or expense incurred as cost of work done during the fiscal year with respect to shafts, excavations, drifts, trenches, borings or other means of mining exploration or development referred to in paragraph *m* of section 8 or as mining exploration and development expenses referred to in paragraph *n* of that section to the extent that the outlay or expense constitutes an expense incurred

i. by a person, including a partnership, pursuant to an agreement entered into with the operator or another corporation or partnership, under which the person incurs such expense solely as consideration for a share of the capital stock of the operator or of another corporation or partnership, for an interest in a partnership, or for an interest or right attaching to the share or interest; or

ii. by a corporation, including the operator, where a share of the capital stock of the corporation was issued to a person, including a partnership, pursuant to an agreement in writing entered into between the person and the corporation, under which the corporation, for any purpose, agreed to incur such expense and to renounce to the person an amount in respect of the expense so incurred by the corporation not exceeding the consideration received by it for the share;”.

Application

This section applies in respect of expenses incurred after 28 February 1986.

c. D-15,
s. 27.1, am.

3. Section 27.1 of the said Act is amended by replacing paragraph *a* by the following paragraph:

“(a) the amount of any outlay or expense incurred in respect of the property to the extent that the outlay or expense constitutes an expense incurred

i. by a person, including a partnership, pursuant to an agreement entered into with the operator or another corporation or partnership, under which the person incurs such expense solely as consideration for a share of the capital stock of the operator or of another corporation or partnership, for an interest in a partnership, or for an interest or right attaching to the share or interest; or

ii. by a corporation, including the operator, where a share of the capital stock of the corporation was issued to a person, including a partnership, pursuant to an agreement in writing entered into between the person and the corporation, under which the corporation, for any purpose, agreed to incur such expense and to renounce to the person an amount in respect of the expense so incurred by the

corporation not exceeding the consideration received by it for the share;”.

Application This section applies in respect of expenses incurred after 28 February 1986.

c. D-15,
s. 46.1,
added **4.** The said Act is amended by inserting, after section 46, the following section:

Amount
deemed paid **“46.1** Every operator who is entitled to a credit under section 32 is deemed to have paid to the Minister, in respect of the fiscal year referred to therein, in addition to the amounts paid pursuant to section 46, an amount equal to that determined by the Minister as a credit on duties refundable for losses.”

Effect This section has effect from 24 April 1985.

c. D-15,
s. 58.1,
added **5.** The said Act is amended by inserting, after section 58, the following section:

Refundable
credit **“58.1** That portion of the refund to which an operator is entitled pursuant to section 58, which is equal to the amount determined under section 46.1, constitutes the refundable credit on duties provided for in section 32.”

Effect This section has effect from 24 April 1985.

c. D-15,
s. 60, am. **6.** Section 60 of the said Act is amended by adding, at the end, the following paragraph:

Reduction
of overpay-
ment **“For the purposes of this section, the overpayment referred to in the first paragraph must be reduced by an amount equal to that determined by the Minister as a credit on duties refundable for losses.”**

Effect This section has effect from 24 April 1985.

c. D-15,
s. 60.2,
replaced **7.** Section 60.2 of the said Act is replaced by the following section:

Interest **“60.2** Any interest payable in respect of a refund made by the Minister under this Act shall be paid out of the consolidated revenue fund.”

Effect This section has effect from 24 April 1985.

c. D-15,
s. 98,
repealed **8.** Section 98 of the said Act is repealed.

Coming into
force

9. This Act comes into force on 22 June 1989.