

1986, chapter 72

**AN ACT TO AMEND VARIOUS FISCAL LAWS PURSUANT
TO THE GOVERNMENT BUDGETARY AND FINANCIAL
POLICY STATEMENT OF 18 DECEMBER 1985**

Bill 78

Introduced by Mr Michel Gratton, Minister of Revenue

Introduced 15 May 1986

Passage in principle 19 June 1986

Passage 30 October 1986

Assented to 11 November 1986

Coming into force: 11 November 1986

Acts amended:

Retail Sales Tax Act (R.S.Q., chapter I-1)

Tobacco Tax Act (R.S.Q., chapter I-2)

Taxation Act (R.S.Q., chapter I-3)

Act respecting the Ministère du Revenu (R.S.Q., chapter M-31)

Fuel Tax Act (R.S.Q., chapter T-1)





CHAPTER 72

An Act to amend various fiscal laws pursuant to the Government Budgetary and Financial Policy Statement of 18 December 1985

[Assented to 11 November 1986]

THE PARLIAMENT OF QUÉBEC ENACTS AS FOLLOWS:

c. I-1, s. 17,
am. **1.** (1) Section 17 of the Retail Sales Tax Act (R.S.Q., chapter I-1), amended by section 21 of chapter 15 of the statutes of 1986, is again amended by replacing subparagraph ii of paragraph *a* by the following subparagraph:

“ii. coins sold at higher than their face value expressed in Canadian money;”.

(2) This section has effect from 19 December 1985.

c. I-1, s.
20.16, am. **2.** (1) Section 20.16 of the said Act, enacted by section 23 of chapter 15 of the statutes of 1986, is amended by striking out subparagraph *b* of the first paragraph.

(2) This section has effect from 19 December 1985.

c. I-1, ss.
20.19 to
20.21,
repealed **3.** (1) Sections 20.19 to 20.21 of the said Act, enacted by section 23 of chapter 15 of the statutes of 1986, are repealed.

(2) This section has effect from 19 December 1985.

c. I-1, s.
20.23,
replaced **4.** (1) Section 20.23 of the said Act, enacted by section 23 of chapter 15 of the statutes of 1986, is replaced by the following section:

Presumption **“20.23** Individual insurance of persons which is incidental to a damage insurance policy is deemed to be damage insurance.”

(2) This section has effect from 19 December 1985.

c. I-1, s.
20.25, am. **5.** (1) Section 20.25 of the said Act, enacted by section 23 of chapter 15 of the statutes of 1986, is amended by replacing paragraph *a* by the following paragraph:

“(a) the premium for an individual policy of insurance of persons;”.

(2) This section has effect from 19 December 1985.

c. I-1, s.
20.25.1,
added **6.** (1) The said Act is amended by inserting, after section 20.25, the following section:

Applicability **“20.25.1** Notwithstanding section 20.25, the tax provided for in this chapter applies to the insurance premium payable to the Régie de l'assurance automobile du Québec.”

(2) This section has effect from 19 December 1985.

c. I-1, s.
20.26, am. **7.** (1) Section 20.26 of the said Act, enacted by section 23 of chapter 15 of the statutes of 1986, is amended by adding, after the second paragraph, the following paragraph:

Tax
reimburse-
ment “Notwithstanding the first paragraph, no tax may be reimbursed in respect of a premium reimbursed after 18 December 1985, if the premium is attributable to an individual policy of insurance of persons which is terminated after that date.”

(2) This section has effect from 19 December 1985.

c. I-1, s. 23,
am. **8.** (1) Section 23 of the said Act, amended by section 13 of chapter 25 of the statutes of 1985 and by section 25 of chapter 15 of the statutes of 1986, is again amended by replacing paragraph *a* of subsection 2 by the following paragraph:

“(a) contravenes section 3 or 4, the second paragraph of section 13, section 14.1, 20.29, 20.31, 20.34 or 20.36, subsection 3 of section 21 or the regulations; or”.

(2) This section has effect from 19 December 1985.

c. I-2, s. 18,
replaced

9. Section 18 of the Tobacco Tax Act (R.S.Q., chapter I-2), replaced by section 30 of chapter 15 of the statutes of 1986, is again replaced by the following section:

Financing of
olympic
installations

“18. In view of assisting the financing of the olympic installations, the Minister shall pay monthly into the special olympic fund established by the Act to establish a special olympic fund (1976, chapter 14), an amount equal, for each month from the months of February 1986 to May 1986, to 15.413% of the tax collected under this Act during the preceding month.

Calculation
of amount

For each month from the month of June 1986, the amount shall be equal to 17.974% of the tax collected under this Act during the preceding month.”

c. I-3, s.
750, am.

10. (1) Section 750 of the Taxation Act (R.S.Q., chapter I-3), amended by section 113 of chapter 15 of the statutes of 1986, is again amended by replacing the paragraphs that follow paragraph *k* by the following paragraphs:

“(l) \$2 815.37 plus 24 per cent of that part of taxable income that exceeds \$14 519 if such income exceeds \$14 519 but does not exceed \$18 820;

“(m) \$3 847.61 plus 25 per cent of that part of taxable income that exceeds \$18 820 if such income exceeds \$18 820 but does not exceed \$26 347;

“(n) \$5 729.36 plus 26 per cent of that part of taxable income that exceeds \$26 347 if such income exceeds \$26 347 but does not exceed \$39 169;

“(o) \$9 063.08 plus 27 per cent of that part of taxable income that exceeds \$39 169 if such income exceeds \$39 169 but does not exceed \$61 608;

“(p) \$15 121.61 plus 28 per cent of that part of taxable income that exceeds \$61 608 if such income exceeds \$61 608.”

(2) This section applies from the taxation year 1986.

c. I-3, s.
752.1, am.

11. (1) Section 752.1 of the said Act, amended by section 115 of chapter 15 of the statutes of 1986, is again amended by replacing subparagraph *b* of the first paragraph by the following subparagraph:

“(b) the percentage referred to in paragraph *p* of section 750.”

(2) This section applies from the taxation year 1986.

c. I-3, s.
752.2, am.

12. (1) Section 752.2 of the said Act, amended by section 127 of chapter 25 of the statutes of 1985 and by section 116 of chapter 15 of the statutes of 1986, is again amended by replacing subparagraph *a* of the first paragraph by the following subparagraph:

“(a) the product obtained when the amount he deducted for the year under section 737.4 is multiplied by the percentage referred to in paragraph *p* of section 750;”.

(2) This section applies from the taxation year 1986.

c. I-3, s.
1029.9,
replaced

13. (1) Section 1029.9 of the said Act, replaced by section 151 of chapter 25 of the statutes of 1985 and by section 180 of chapter 15 of the statutes of 1986, is again replaced by the following section:

Taxi permit

“**1029.9** A taxpayer who, on 31 December of a calendar year subsequent to the calendar year 1983 included in his taxation year, is the holder of a taxi permit in force and who meets the requirements prescribed by regulation is deemed to have paid to the Minister on the day on which he is required, in accordance with section 1000, to file his fiscal return for that taxation year or on which he would have been required to file such return if he had had any tax to pay for that taxation year under this Part, on account of his tax payable for that taxation year under this Part, an amount of \$500 for each such taxi permit other than a taxi permit issued for transportation by taxi in a territory wholly or partly comprised in a designated area.

Interpreta-
tion

For the purposes of the first paragraph, the expressions “taxi permit”, “designated area” and “holder” have the meaning assigned to them by regulation.”

(2) This section applies from the taxation year 1986.

c. M-31, s.
96, am.

14. (1) Section 96 of the Act respecting the Ministère du Revenu (R.S.Q., chapter M-31) is amended by replacing paragraph *b* by the following paragraph:

“(b) prescribed international bodies, their head officers and their employees and the members of their families;”.

(2) This section has effect from 1 January 1986.

c. T-1, s. 2,
replaced

15. (1) Section 2 of the Fuel Tax Act (R.S.Q., chapter T-1) is replaced by the following section:

Fuel tax

"2. Every person who in any way acquires in Québec one of the categories of fuel mentioned in section 4 for purposes other than resale shall pay to the Minister, on each litre, a tax equal to 30 % of the average retail price per litre of that fuel.

Tax
reduction

Such tax is, however, reduced when the fuel is delivered to the purchaser by a retail dealer in border regions, peripheral regions or regions bordering on peripheral regions.

Aircraft and
locomotive
engines

However, in the case of the acquisition of gasoline to be used for supplying aircraft engines or of coloured fuel oil for supplying railroad locomotive engines, the tax shall be 8 % of the sale price to the consumer.

Regulation

For the purposes of the second paragraph, the Government may, by regulation,

(a) define the expressions "peripheral region" and "border region";

(b) fix the percentage of the reduction;

(c) determine which categories of fuel are affected by the reduction;
and

(d) prescribe the conditions and modalities of application of the reduction."

(2) This section has effect from 19 December 1985.

c. T-1, s.
56, am.

16. Section 56 of the said Act is amended by adding the following paragraph:

Application
of
regulations

"Notwithstanding the first paragraph, regulations made in the year 1986 under this Act in respect of the tax reduction in the regions referred to in the second paragraph of section 2 may, once published and if they so provide, apply from 19 December 1985."

Coming into
force

17. This Act comes into force on 11 November 1986.