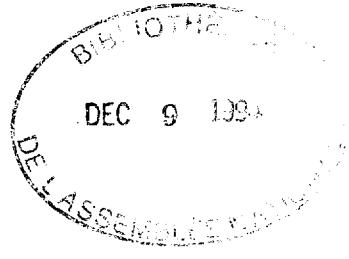
NATIONAL ASSEMBLY

FIRST SESSION THIRTY-FIFTH LEGISLATURE

Bill 45

An Act to again amend the Act respecting municipal taxation and other legislative provisions

Introduction



Introduced by
Mr Guy Chevrette
Minister of Municipal Affairs

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EXPLANATORY NOTES

This bill first proposes amendments to the Act respecting municipal taxation in two areas.

First, the bill reformulates with greater precision a measure already available to local municipalities to limit certain tax increases. The measure consists in granting an abatement to limit the increase in the amount of real estate tax payable for a fiscal year in relation to the amount payable for the preceding fiscal year, where a new real estate assessment roll comes into force. Secondly, the bill specifies the scope of the exemption from the real estate tax and the business tax presently granted to certain private health and social services institutions.

The bill also amends the Cities and Towns Act, the Municipal Code of Québec, the charter of the city of Québec and the charter of the city of Montréal to give all Québec municipalities the same power to establish, for the benefit of artists whose status has been recognized by Québec legislation or for the benefit of certain categories of those artists, a program providing subsidies or tax credits.

Lastly, the bill proposes amendments to the Act respecting duties on transfers of immovables consequential to the budget speech of 12 May 1994. In the budget speech, new exemptions from duties on transfers of immovables were provided for, in particular in respect of transfers between de facto *spouses.*

ACTS AMENDED BY THIS BILL:

– Cities and Towns Act (R.S.Q., chapter C-19);

– Municipal Code of Québec (R.S.Q., chapter C-27.1);

– Act respecting duties on transfers of immovables (R.S.Q., chapter D-15.1);

– Act respecting municipal taxation (R.S.Q., chapter F-2.1);

- Charter of the city of Québec (1929, chapter 95);
- Charter of the city of Montréal (1959-60, chapter 102).

Bill 45

An Act to again amend the Act respecting municipal taxation and other legislative provisions

THE PARLIAMENT OF QUÉBEC ENACTS AS FOLLOWS:

ACT RESPECTING MUNICIPAL TAXATION

1. Section 204 of the Act respecting municipal taxation (R.S.Q., chapter F-2.1), amended by section 117 of chapter 67 of the statutes of 1993, section 75 of chapter 2 of the statutes of 1994, section 33 of chapter 15 of the statutes of 1994, section 23 of chapter 23 of the statutes of 1994 and section 59 of chapter 30 of the statutes of 1994, is again amended by replacing subparagraphs *a* and *b* of paragraph 14 by the following:

"(14) (*a*) an immovable belonging to a public institution within the meaning of the Act respecting health services and social services (R.S.Q., chapter S-4.2) or of the Act respecting health services and social services for Cree Native persons (R.S.Q., chapter S-5);

(*b*) an immovable which belongs to a private institution defined in paragraph 3 of section 99 or in section 551 of the first Act referred to in subparagraph *a* of this paragraph or defined in section 12 of the second Act referred to and in which are exercised, under a permit issued to the institution under the Act that is applicable to the institution, activities inherent in the mission of a local community service centre, a residential and long-term care centre or a rehabilitation centre within the meaning of the first Act referred to or of a reception centre within the meaning of the second Act referred to;".

2. Section 204.0.1 of the said Act, enacted by section 60 of chapter 30 of the statutes of 1994, is amended by adding, at the end, the following paragraph:

"In any provision that establishes a rule applicable to an immovable or to the owner, lessee or occupant thereof, a reference to a person mentioned in section 204 or in any paragraph thereof includes a person recognized by the Commission under paragraph 10 of section 204 or under section 208.1 or a person holding a permit referred to in paragraph 14 or 15 of section 204 only if the immovable to which the provision applies is the immovable mentioned in the recognition or the permit."

3. Section 236 of the said Act, amended by section 119 of chapter 67 of the statutes of 1993, section 76 of chapter 2 of the statutes of 1994, section 33 of chapter 15 of the statutes of 1994, section 23 of chapter 23 of the statutes of 1994 and section 69 of chapter 30 of the statutes of 1994, is again amended by replacing paragraph 1 by the following paragraph:

"(1) an activity carried on by

(*a*) the Crown in right of Québec or the Crown in right of Canada, a mandatary of the Crown in right of Canada, the Société immobilière du Québec, the Corporation d'hébergement du Québec, the Régie des installations olympiques, the Société de la Place des Arts de Montréal or the Institut de police du Québec;

(*b*) a local municipality, a community, a regional county municipality, a mandatary of any such body or a transit corporation whose budget is, by law, submitted to an elected municipal body;

(*c*) a school board, a general and vocational college, a university establishment within the meaning of the University Investments Act (R.S.Q., chapter I-17) or the Conservatoire de musique et d'art dramatique du Québec;

(*d*) a private educational institution operated by a non-profit body under a permit issued under the Act respecting private education (R.S.Q., chapter E-9.1), a private educational institution accredited for purposes of subsidies under that Act or an institution whose instructional program is the subject of an international agreement within the meaning of the Act respecting the Ministère des Affaires internationales, de l'Immigration et des Communautés culturelles (R.S.Q., chapter M-21.1);

(*e*) a public institution within the meaning of the Act respecting health services and social services (R.S.Q., chapter S-4.2) or of the Act respecting health services and social services for Cree Native persons (R.S.Q., chapter S-5);

(*f*) a private institution defined in paragraph 3 of section 99 or in section 551 of the first Act referred to in subparagraph *e* of this paragraph or defined in section 12 of the second Act referred to, under a permit issued to the institution under the Act that is applicable to the institution, and which is an activity inherent in the mission of a local community service centre, a residential and long-term care centre or a rehabilitation centre within the meaning of the first Act referred to or of a reception centre within the meaning of the second Act referred to;

(*g*) a cooperative or a non-profit body, under a day care centre permit, nursery school permit or stop-over centre permit issued thereto under the Act respecting child day care (R.S.Q., chapter S-4.1);".

4. Section 245 of the said Act is amended by replacing the words "or of Division IV.3" in the fifth and sixth lines of the second paragraph by the words ", of Division IV.3 or of Division IV.4".

5. The heading of Division IV.4 of Chapter XVIII and sections 253.36 to 253.43 of the said Act, enacted by section 78 of chapter 30 of the statutes of 1994, are replaced by the following:

"DIVISION IV.4

"ABATEMENT APPLICABLE TO CERTAIN REAL ESTATE TAXES

"**253.36** Any local municipality may provide for the granting of an abatement, in accordance with this division, to limit the increase in the amount of a real estate tax payable for a fiscal year in respect of a unit of assessment in relation to the amount of the same tax payable for the preceding fiscal year in respect of the same unit, where the increase exceeds a certain percentage.

The resolution by which the municipality avails itself of the first paragraph has effect for the purposes of a single fiscal year. The municipality shall not pass such a resolution for the purposes of the third fiscal year for which its real estate first roll applies; it may pass such a resolution for the purposes of the second fiscal year only if it passed such a resolution for the purposes of the fiscal year. The municipality shall not make such a resolution for the purposes of any fiscal year for which a resolution it passed under section 253.27 applies.

For the purposes of this division, the word "roll" means the real estate assessment roll of the municipality.

"**253.37** The municipality must, in the resolution passed under section 253.36, specify any tax, from among those referred to in the second paragraph, for which an abatement may be granted and fix the percentage that the increase in the amount of the tax must exceed for the abatement to apply. For the purposes of sections 253.38 to 253.49, the word "tax" means any tax specified by the municipality.

An abatement may be granted for any tax that is a real estate tax imposed by the municipality, on the basis of taxable value, on every taxable unit of assessment on the roll.

The municipality shall not fix a percentage lower than the sum obtained by adding 10% and the percentage by which the total expenditures provided for in the budget of the municipality for the fiscal year considered exceed the total expenditures provided for in its budget for the preceding fiscal year.

"**253.38** The amount of the abatement applicable to the tax payable, in respect of a unit of assessment, for the first fiscal year for which the roll applies is the amount obtained by performing the following operations consecutively:

(1) multiplying the taxable value of the unit on 1 January of the first fiscal year by the tax rate fixed for that fiscal year;

(2) subtracting, from the product obtained under subparagraph 1, the maximum amount of tax for the first fiscal year.

The maximum amount of tax for the first fiscal year for which the roll applies is established by increasing, by the percentage fixed by the municipality for that fiscal year, the product obtained by multiplying the taxable value of the unit on 31 December of the preceding fiscal year by the tax rate fixed for the latter fiscal year.

For the purposes of subparagraph 1 of the first paragraph, the taxable value of the unit is reduced by the portion of that value attributable to an increase referred to in paragraph 7 of section 174, whether the increase is indicated at the time the roll is deposited or in an alteration to the roll, if the event giving rise to the increase does not give rise to an alteration to the preceding roll.

No abatement is applicable in respect of any unit in existence on 1 January of the first fiscal year for which the roll applies but which was not in existence on the day preceding that date. However, if the unit in existence on the aforementioned 1 January results from the combining of several whole units that were in existence on the day preceding that date, the rules prescribed in the first three paragraphs

apply in respect of the new unit as if its taxable value on 31 December of the preceding fiscal year was the sum of the taxable values on the latter date of the units combined.

"**253.39** Where, after section 253.38 is applied to determine whether an abatement is applicable in respect of a unit of assessment for the first fiscal year for which the roll applies, an alteration to that roll or the preceding roll is made affecting the taxable value of the unit on 1 January of that fiscal year or on 31 December of the preceding fiscal year, section 253.38 is re-applied to take account of the alteration.

Any granting or withdrawal of an abatement or change in the amount of an abatement already granted resulting from the re-application of section 253.38 is taken into consideration in calculating the amount of the tax supplement to be paid or of tax to be refunded as a result of the alteration.

"**253.40** Where an alteration to the roll affecting the taxable value of a unit of assessment has effect from a date, later than 1 January, comprised in the first fiscal year for which the roll applies, the last amount of abatement established for that fiscal year in respect of that unit pursuant to section 253.38 or to this section is replaced, from the date the alteration has effect, by a new amount of abatement if the latter amount is different from the former amount.

The new amount is established by performing the following operations consecutively:

(1) multiplying the tax rate fixed for the first fiscal year for which the roll applies by the lesser of the taxable value of the unit on 1 January of that fiscal year and its taxable value after the alteration;

(2) subtracting, from the product obtained under subparagraph 1, the maximum amount of tax for the first fiscal year for which the roll applies as established pursuant to the second paragraph of section 253.38.

If the difference resulting from the subtraction made under subparagraph 2 of the second paragraph is negative, the new amount of the abatement is $0.

For the purposes of the second paragraph, if section 253.38 is re-applied in respect of the unit to take account of an alteration referred to in section 253.39 and the abatement in respect of the unit is not withdrawn as a result of the alteration, the taxable value of the unit on 1 January of the first fiscal year for which the roll applies and the maximum amount of tax for that fiscal year are the value and

amount established as a result of the re-application of section 253.38. If the re-application occurs after the application of this section, this section is re-applied to take account of the re-application.

"**253.41** Where, pursuant to section 253.40, an amount of abatement is replaced by a new amount, the adjustment resulting from the replacement is established by performing the following operations consecutively:

(1) subtracting, from the new amount of abatement, the last amount of abatement established before the date from which the alteration to the roll which gives rise to the replacement has effect;

(2) dividing, by the number of days comprised in the fiscal year considered, the number of days in that fiscal year occurring after the day that precedes the date from which the alteration has effect;

(3) multiplying the quotient obtained under subparagraph 2 by the difference, negative or positive, resulting from the subtraction made under subparagraph 1.

Any adjustment to increase or decrease the applicable abatement is taken into consideration in calculating the amount of additional tax to be paid or of tax to be refunded as a result of the alteration.

"**253.42** If the purpose of the alteration referred to in the first paragraph of section 253.40 is to cause a unit of assessment to cease to exist by combining the whole of that unit with the whole of another unit and if the units combined existed on 1 January of the first fiscal year for which the roll applies and on 31 December of the preceding fiscal year, section 253.40 applies as if the units combined had formed a single unit on each of those dates. For the purposes of this paragraph, any combined unit that itself results, directly or indirectly, from the combining of whole units existing on either of those dates is deemed to have existed on that date as if any combining considered had taken effect on that date.

If the purpose of the alteration is to cause a unit to cease to exist by combining it with another unit without giving rise to the application of the first paragraph, by eliminating the unit, dividing it or adding to it part of another unit, section 253.40 does not apply and the abatement ceases to be applicable in respect of the unit from the date from which the alteration has effect. In such a case, section 253.41 applies as if the new amount of abatement that replaces the previous amount was $0.

However, the abatement does not cease to be applicable in respect of a unit where a part of the unit is subtracted or a part of

another unit is added, if the taxable value of the part added or subtracted does not exceed 10% of the taxable value of the unit in respect of which the abatement applies according to the amount of the latter value entered on the roll immediately before the date from which the alteration has effect. In such a case, section 253.40 applies as if the unit continued to exist and its taxable value decreased or increased, as the case may be.

"**253.43** The amount of the abatement applicable to the tax payable, in respect of a unit of assessment, for the second fiscal year for which the roll applies is the amount obtained by performing the following operations consecutively:

(1) multiplying the tax rate fixed for the second fiscal year by the lesser of the taxable value of the unit on 1 January of the first fiscal year and its taxable value on 1 January of the second fiscal year;

(2) subtracting, from the product obtained under subparagraph 1, the maximum amount of tax for the second fiscal year.

The maximum amount of tax for the second fiscal year for which the roll applies is established by increasing, by the percentage fixed by the municipality for that fiscal year, the maximum amount of tax for the first fiscal year as established pursuant to the second paragraph of section 253.38.

No abatement is applicable in respect of a unit in existence on 1 January of the second fiscal year for which the roll applies but which was not in existence on the day preceding that date. However, if the unit in existence on the aforementioned 1 January results from the combining of several whole units that were in existence on 1 January of the first fiscal year, the rules prescribed in the first two paragraphs apply in respect of the new unit as if its taxable value on 1 January of the first fiscal year was the sum of the taxable values on the latter date of the units combined and as if the maximum amount of the tax for the first fiscal year, in respect of that unit, was the sum of the maximum amounts of tax for the latter fiscal year in respect of the units combined. For the purposes of this paragraph, a combined unit that itself results, directly or indirectly, from the combining of whole units existing on 1 January of the first fiscal year is deemed to have existed on that date as if any combining considered had taken effect on that date.

"**253.44** Where, after section 253.43 is applied to determine whether an abatement is applicable in respect of a unit of assessment for the second fiscal year for which the roll applies, an alteration to that roll or the preceding roll is made affecting the taxable value of

the unit on 1 January of the second fiscal year, on 1 January of the first fiscal year or on 31 December of the fiscal year preceding the first fiscal year, section 253.43 is re-applied to take account of the alteration.

Any granting or withdrawal of an abatement or change in the amount of an abatement already granted resulting from the re-application of section 253.43 is taken into consideration in calculating the amount of additional tax to be paid or of tax to be refunded as a result of the alteration.

"**253.45** Where an alteration to the roll affecting the taxable value of a unit of assessment has effect from a date, later than 1 January, comprised in the second fiscal year for which the roll applies, the last amount of abatement established for that fiscal year in respect of the unit pursuant to section 253.43 or to this section is replaced, from the date the alteration has effect, by a new amount of abatement if the latter amount is different from the former amount.

The new amount is established by performing the following operations consecutively:

(1) multiplying the tax rate fixed for the second fiscal year for which the roll applies by the lesser of the taxable value of the unit on 1 January of the first fiscal year and its taxable value after the alteration;

(2) subtracting, from the product obtained under subparagraph 1, the maximum amount of tax for the second fiscal year for which the roll applies as established pursuant to the second paragraph of section 253.43.

If the difference resulting from the subtraction made under subparagraph 2 of the second paragraph is negative, the new amount of the abatement is $0.

For the purposes of the second paragraph, if section 253.43 re-applied in respect of the unit to take account of an alteration referred to in section 253.44 and the abatement in respect of the unit is not withdrawn as a result of the alteration, the taxable value of the unit on 1 January of the first fiscal year for which the roll applies and the maximum amount of tax for the second fiscal year are the value and amount established as a result of the re-application of section 253.43. If the re-application occurs after the application of this section, this section is re-applied to take account of the re-application.

"**253.46** Where, pursuant to section 253.45, an amount of abatement is replaced by a new amount, the adjustment resulting

from the replacement is established by performing the following operations consecutively:

(1) subtracting, from the new amount of abatement, the last amount of abatement established before the date from which the alteration to the roll which gives rise to the replacement has effect;

(2) dividing, by the number of days comprised in the fiscal year considered, the number of days in that fiscal year occurring after the day that precedes the date from which the alteration has effect;

(3) multiplying the quotient obtained under subparagraph 2 by the difference, negative or positive, resulting from the subtraction made under subparagraph 1.

Any adjustment to increase or decrease the applicable abatement is taken into consideration in calculating the amount of additional tax to be paid or of tax to be refunded as a result of the alteration.

"**253.47** If the purpose of the alteration referred to in the first paragraph of section 253.45 is to cause a unit of assessment to cease to exist by combining the whole of that unit with the whole of another unit and if the combined units existed on 1 January of the first fiscal year for which the roll applies, section 253.45 applies as if the units combined had formed a single unit on that date and as if the maximum amount of the tax for the second fiscal year, in respect of the new unit, was the sum of the maximum amounts of tax for the latter fiscal year in respect of the units combined. For the purposes of this paragraph, any unit combined that itself results, directly or indirectly, from the combining of whole units existing on 1 January of the first fiscal year is deemed to have existed on that date as if any combining considered had taken effect on that date.

If the purpose of the alteration is to cause a unit to cease to exist by combining it with another unit without giving rise to the application of the first paragraph, by eliminating the unit, dividing it or adding to it part of another unit, section 253.45 does not apply and the abatement ceases to be applicable in respect of the unit from the date from which the alteration has effect. In such a case, section 253.46 applies as if the new amount of abatement that replaces the previous amount was $0.

However, the abatement does not cease to be applicable in respect of a unit where a part of the unit is subtracted or a part of another unit is added, if the taxable value of the part added or subtracted does not exceed 10% of the taxable value of the unit in respect of which the abatement applies according to the amount of the latter value entered on the roll immediately before the date from

which the alteration has effect. In such a case, section 253.45 applies as if the unit continued to exist and its taxable value decreased or increased, as the case may be.

"**253.48** Sections 253.36 to 253.47 apply to any unit of assessment whose taxable value is established in accordance with any of sections 211, 231.1, 231.2 and 231.4 of this Act or section 33 of the Cultural Property Act (R.S.Q., chapter B-4).

However, any increase in taxable value due to the fact of a provision mentioned in the first paragraph ceasing to apply to the unit does not give rise to the granting of an abatement in respect of the unit or an increase in the amount of an abatement already applicable in its respect.

"**253.49** Sections 253.36 to 253.47 apply, taking account of the adaptations provided for in the second paragraph, in respect of any non taxable unit of assessment in respect of which the amount provided for in the first or third paragraph of section 205, the first paragraph of section 208, the second paragraph of section 210 or the first paragraph of section 254 must be paid.

The adaptations referred to in the first paragraph are as follows:

(1) in the case of any unit referred to in the first paragraph, except a unit in respect of which the amount provided for in the third paragraph of section 205 must be paid, the unit's non taxable value is considered to be a taxable value;

(2) in the case of any unit in respect of which the amount provided for in the third paragraph of section 205 must be paid, the non taxable value of the land comprised in the unit is considered to be the taxable value of the unit;

(3) in the case of any unit in respect of which the amount provided for in the second paragraph of section 210, or the amount provided for in the first paragraph of section 254 if the latter amount is established pursuant to the first paragraph of section 255, must be paid, the amount standing in lieu of the tax is considered to be the tax;

(4) in the case of any unit in respect of which the amount provided for in the first or third paragraph of section 205 must be paid, that amount is considered to be the tax in lieu of which the amount stands, and the fact that the municipality specifies more than one tax under section 253.37 does not give rise to more than one abatement applicable in respect of the amount;

(5) where, in the case of any unit in respect of which the amount provided for in the first paragraph of section 254 must be paid, that amount is determined pursuant to any of the last three paragraphs of section 255,

(*a*) that amount is considered to be the tax in lieu of which the amount stands, and the fact that the municipality specifies more than one tax under section 253.37 does not give rise to more than one abatement applicable in respect of that amount;

(*b*) the rate provided for in the second, third or fourth paragraph of section 255, as the case may be, and corresponding to a percentage of the aggregate taxation rate of the municipality is considered to be the tax rate fixed by the municipality;

(*c*) any alteration to the rate referred to in subparagraph *b* owing to the provisional aggregate taxation rate being replaced by the aggregate taxation rate based on the data contained in the financial report gives rise to the re-application of section 253.38 or 253.43 as if it were an alteration referred to in section 253.39 or 253.44.

However, the fact that a unit ceases to be, or begins to be, a unit in respect of which the amount provided for in the first or third paragraph of section 205, or the amount provided for in the first paragraph of section 254 if the latter amount is established pursuant to the first three paragraphs of section 255, must be paid, does not give rise to the granting or withdrawal of an abatement in respect of the unit or to an increase or decrease in the amount of an abatement already applicable in respect of the unit. The same applies where a unit in respect of which the amount provided for in the first paragraph of section 254 is established pursuant to the second or third paragraph of section 255 becomes a unit in respect of which that amount is established pursuant to the fourth paragraph of that section, or vice versa.

"**253.50** An increase in taxable value owing to a non taxable unit of assessment, other than a unit referred to in section 253.49, becoming taxable does not give rise to the granting of an abatement in respect of that unit."

6. Section 263 of the said Act, amended by section 13 of chapter 78 of the statutes of 1993 and section 81 of chapter 30 of the statutes of 1994, is again amended by striking out paragraph 11.

7. The Cities and Towns Act (R.S.Q., chapter C-19) is amended by inserting, after section 28, the following section:

"**28.0.1** Any municipality may, by by-law, establish a program under which the municipality grants, in accordance with this section, subsidies or tax credits to certain artists.

The persons who are eligible under the program are professional artists within the meaning of the Act respecting the professional status of artists in the visual arts, arts and crafts and literature, and their contracts with promoters (R.S.Q., chapter S-32.01) and artists within the meaning of the Act respecting the professional status and conditions of engagement of performing, recording and film artists (R.S.Q., chapter S-32.1). A legal person controlled by such an artist or a group of such artists which is not a legal person is eligible under the program in place of the artist who controls the legal person or of the artists who make up the group.

The municipality may provide that the program applies to take account of the fact that the persons or groups referred to in the second paragraph are the debtors of taxes imposed by the municipality or pay, directly or indirectly and in particular through the payment of rent, a portion or the whole of such taxes without being the debtors thereof; in such a case, the municipality must indicate any tax taken account of for the purposes of the program.

If the municipality does not avail itself of the third paragraph, it may only provide for the granting of subsidies. If it avails itself of that paragraph, it may provide for the granting of subsidies, for the granting of tax credits to debtors or for the granting of both; in the latter case, the municipality must set out the circumstances in which it grants a subsidy and the circumstances in which it grants a tax credit. The municipality shall prescribe the rules allowing the amount of the subsidy or of the tax credit to be established, the conditions required to be met for the subsidy or the tax credit to be granted and the terms under which the subsidy is paid or the tax credit is granted. If the municipality specifies more than one tax to be taken into account for the purposes of the program, it may set out or prescribe different circumstances, rules, terms or conditions for each tax.

The municipality may divide its territory into sectors or establish classes from among the persons or groups referred to in the second paragraph, or create two groups, one consisting of debtors of the tax and another of persons or groups who otherwise pay a portion or the

whole of the tax; it may also establish any combination consisting of a sector, class and group or of two of those elements. The municipality may provide that the program applies only in one or more such sectors, to one or more such classes, to a single such group or to one or more such combinations. It may avail itself of the fourth paragraph in a different way according to sector, class, group or combination.

This section applies notwithstanding the Municipal Aid Prohibition Act (R.S.Q., chapter I-15)."

MUNICIPAL CODE OF QUÉBEC

8. The Municipal Code of Québec (R.S.Q., chapter C-27.1) is amended by inserting, after article 9, the following article:

"**9.1** Any local municipality may, by by-law, establish a program under which the municipality grants, in accordance with this article, subsidies or tax credits to certain artists.

The persons who are eligible under the program are professional artists within the meaning of the Act respecting the professional status of artists in the visual arts, arts and crafts and literature, and their contracts with promoters (R.S.Q., chapter S-32.01) and artists within the meaning of the Act respecting the professional status and conditions of engagement of performing, recording and film artists (R.S.Q., chapter S-32.1). A legal person controlled by such an artist or a group of such artists which is not a legal person is eligible under the program in place of the artist who controls the legal person or of the artists who make up the group.

The municipality may provide that the program applies to take account of the fact that the persons or groups referred to in the second paragraph are the debtors of taxes imposed by the municipality or pay, directly or indirectly and in particular through the payment of rent, a portion or the whole of such taxes without being the debtors thereof; in such a case, the municipality must indicate any tax taken account of for the purposes of the program.

If the municipality does not avail itself of the third paragraph, it may only provide for the granting of subsidies. If it avails itself of that paragraph, it may provide for the granting of subsidies, for the granting of tax credits to debtors or for the granting of both; in the latter case, the municipality must set out the circumstances in which it grants a subsidy and the circumstances in which it grants a tax credit. The municipality shall prescribe the rules allowing the amount of the subsidy or of the tax credit to be established, the conditions

required to be met for the subsidy or the tax credit to be granted and the terms under which the subsidy is paid or the tax credit is granted. If the municipality specifies more than one tax to be taken into account for the purposes of the program, it may set out or prescribe different circumstances, rules, terms or conditions for each tax.

The municipality may divide its territory into sectors or establish classes from among the persons or groups referred to in the second paragraph, or create two groups, one consisting of debtors of the tax and another of persons or groups who otherwise pay a portion or the whole of the tax; it may also establish any combination consisting of a sector, class and group or of two of those elements. The municipality may provide that the program applies only in one or more such sectors, to one or more such classes, to a single such group or to one or more such combinations. It may avail itself of the fourth paragraph in a different way according to sector, class, group or combination.

This article applies notwithstanding the Municipal Aid Prohibition Act (R.S.Q., chapter I-15)."

ACT RESPECTING DUTIES ON TRANSFERS OF IMMOVABLES

9. Section 19 of the Act respecting duties on transfers of immovables (R.S.Q., chapter D-15.1), amended by section 34 of chapter 78 of the statutes of 1993, is again amended by striking out the word "or" in the fourth line of subparagraph *f* of the first paragraph.

10. Section 20 of the said Act, amended by section 627 of chapter 57 of the statutes of 1992 and section 35 of chapter 78 of the statutes of 1993, is again amended

(1) by replacing, in the French text, the word "et" in the second line of paragraph *b* by the word "alors";

(2) by replacing, in the French text, the word "et" in the third line of paragraph *c* by the word "alors";

(3) by replacing, in the French text, the word "et" first occurring in the second line of paragraph *e* by the word "alors";

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

"(*d*) the deed relates to the transfer of an immovable to an ascendant or descendant in the direct line, or between consorts, or to a transferee who is the consort of the son, daughter, father or mother of the transferor or is the son, daughter, father or mother of the consort of the transferor;";

(5) by inserting, after paragraph *e*, the following paragraph:

"(*e*.1) the deed relates to the transfer of an immovable by a trust to the natural person for whose benefit the trust is established, if that person and the person who transferred the immovable to the trust are, in relation to one another, related persons within the meaning of paragraph *d*;";

(6) by striking out the word "or" in the third line of paragraph *g*;

(7) by replacing, in the French text, the word "et" in the second line of paragraph *h* by the word "alors";

(8) by adding, at the end, the following paragraphs:

"For the purposes of subparagraph *d* of the first paragraph, the word "consorts", in addition to its ordinary meaning, means two persons of opposite sex who, on the date of the transfer, are living in a *de facto* union and have lived in a *de facto* union for a period of 12 months ending on the date of the transfer or are the father and mother of a child. Two persons of opposite sex who were living in a *de facto* union at any time before the date of the transfer are deemed to be living in a *de facto* union on that date, unless they are living apart on that date by reason of the breakdown of their union and the period during which they have lived apart has lasted at least 90 days and includes the date of the transfer.

The exemption provided in subparagraph *d* of the first paragraph does not apply to a transfer made to a descendant if the transferor acquired the immovable either from a descendant in the direct line or from a trust that acquired the immovable from such a descendant and the transferor has not retained the ownership of the immovable during a period of at least two years after the acquisition, except if the transfer results from the death of the transferor or the immovable is transferred to the person from whom, or trust from which, the immovable had been acquired."

CHARTER OF THE CITY OF QUÉBEC

11. Section 307*d* of the charter of the city of Québec (1929, chapter 95), enacted by section 15 of chapter (*insert here the chapter number of Bill 264 in the volume containing the statutes of Québec of 1994*) of the statutes of 1994, is replaced by the following section:

"**307***d*. The council may, by by-law, establish a program under which the city grants, in accordance with this section, subsidies or tax credits to certain artists.

The persons who are eligible under the program are professional artists within the meaning of the Act respecting the professional status of artists in the visual arts, arts and crafts and literature, and their contracts with promoters (R.S.Q., chapter S-32.01) and artists within the meaning of the Act respecting the professional status and conditions of engagement of performing, recording and film artists (R.S.Q., chapter S-32.1). A legal person controlled by such an artist or a group of such artists which is not a legal person is eligible under the program in place of the artist who controls the legal person or of the artists who make up the group.

The council may provide that the program applies to take account of the fact that the persons or groups referred to in the second paragraph are the debtors of taxes imposed by the city or pay, directly or indirectly and in particular through the payment of rent, a portion or the whole of such taxes without being the debtors thereof; in such a case, the council must indicate any tax taken account of for the purposes of the program.

If the council does not avail itself of the third paragraph, it may only provide for the granting of subsidies. If it avails itself of that paragraph, it may provide for the granting of subsidies, for the granting of tax credits to debtors or for the granting of both; in the latter case, the council must set out the circumstances in which the city grants a subsidy and the circumstances in which the city grants a tax credit. The council shall prescribe the rules allowing the amount of the subsidy or of the tax credit to be established, the conditions required to be met for the subsidy or the tax credit to be granted and the terms under which the subsidy is paid or the tax credit is granted. If the council specifies more than one tax to be taken into account for the purposes of the program, it may set out or prescribe different circumstances, rules, terms or conditions for each tax.

The council may divide the territory of the city into sectors or establish classes from among the persons or groups referred to in the second paragraph, or create two groups, one consisting of debtors of the tax and another of persons or groups who otherwise pay a portion or the whole of the tax; the council may also establish any combination consisting of a sector, a class and a group or of two of those elements. The council may provide that the program applies only in one or more such sectors, to one or more such classes, to a single such group or to one or more such combinations. It may avail itself of the fourth paragraph in a different way according to sector, class, group or combination."

12. Article 528 of the charter of the city of Montréal (1959-60, chapter 102), amended by section 56 of chapter 59 of the statutes of 1962, section 9 of chapter 90 of the statutes of 1968, section 1 of chapter 92 of the statutes of 1968, section 22 of chapter 96 of the statutes of 1971, section 53 of chapter 77 of the statutes of 1977, section 12 of chapter 40 of the statutes of 1980, section 23 of chapter 71 of the statutes of 1982, section 26 of chapter 64 of the statutes of 1982, section 5 of chapter 86 of the statutes of 1988, section 14 of chapter 87 of the statutes of 1988, section 19 of chapter 82 of the statutes of 1993 and section 119 of chapter 30 of the statutes of 1994, is again amended by replacing subparagraph 6.1 of the first paragraph by the following subparagraph:

"(6.1) Establish a program under which the city grants, in accordance with this article, subsidies or tax credits to certain artists.

The persons who are eligible under the program are professional artists within the meaning of the Act respecting the professional status of artists in the visual arts, arts and crafts and literature, and their contracts with promoters (R.S.Q., chapter S-32.01) and artists within the meaning of the Act respecting the professional status and conditions of engagement of performing, recording and film artists (R.S.Q., chapter S-32.1). A legal person controlled by such an artist or a group of such artists which is not a legal person is eligible under the program in place of the artist who controls the legal person or of the artists who make up the group.

The council may provide that the program applies to take account of the fact that the persons or groups referred to in the second paragraph are the debtors of taxes imposed by the city or pay, directly or indirectly and in particular through the payment of rent, a portion or the whole of such taxes without being the debtors thereof; in such a case, the council must indicate any tax taken account of for the purposes of the program.

If the council does not avail itself of the third paragraph, it may only provide for the granting of subsidies. If it avails itself of that paragraph, it may provide for the granting of subsidies, for the granting of tax credits to debtors or for the granting of both; in the latter case, the council must set out the circumstances in which the city grants a subsidy and the circumstances in which the city grants a tax credit. The council shall prescribe the rules allowing the amount of the subsidy or of the tax credit to be established, the conditions required to be met for the subsidy or the tax credit to be granted and the terms under which the subsidy is paid or the tax credit is granted.

If the council specifies more than one tax to be taken into account for the purposes of the program, it may set out or prescribe different circumstances, rules, terms or conditions for each tax.

The council may divide the territory of the city into sectors or establish classes from among the persons or groups referred to in the second paragraph, or create two groups, one consisting of debtors of the tax and another of persons or groups who otherwise pay a portion or the whole of the tax; the council may also establish any combination consisting of a sector, a class and a group or of two of those elements. The council may provide that the program applies only in one or more such sectors, to one or more such classes, to a single such group or to one or more such combinations. It may avail itself of the fourth paragraph in a different way according to sector, class, group or combination.

This subparagraph applies notwithstanding the Municipal Aid Prohibition Act (R.S.Q., chapter I-15)."

TRANSITIONAL AND FINAL PROVISIONS

13. Sections 1 to 5 have effect for the purposes of every municipal fiscal year from the 1995 fiscal year.

14. In the case of a local municipality whose territory was extended and whose budget for the 1995 fiscal year and real estate assessment roll coming into force on 1 January 1995 are the first to take account of the extension, the provisions enacted by section 5 apply with the following adaptations:

(1) the roll of another local municipality that is applicable on 31 December 1994 to the territory that becomes the territory of the municipality concerned from 1 January 1995 is deemed to have been the roll of the latter municipality;

(2) any unit of assessment entered on the roll of another local municipality during the 1994 fiscal year and entered on the roll of the municipality concerned on 1 January 1995 is deemed to have been subject to the tax imposed for that fiscal year by the municipality concerned and specified in the resolution made by the latter municipality under section 253.37 of the Act respecting municipal taxation (R.S.Q., chapter F-2.1) enacted by section 5 of this Act;

(3) the percentage that may be fixed by the municipality concerned for the 1995 fiscal year, under section 253.37 as referred to in subparagraph 2, shall not be lower than 10%.

The adaptations provided for in the first paragraph apply also in the case of a local municipality resulting from an amalgamation whose budget for the 1995 fiscal year and roll that comes into force on 1 January 1995 are the first to take account of the amalgamation. Such a municipality may only specify, in the resolution it makes for the 1995 or 1996 fiscal year under section 253.37 as referred to in subparagraph 2 of the first paragraph, a tax having been imposed for the 1994 fiscal year by all of the municipalities whose territories have been amalgamated.

15. Until the by-law made under paragraph 2 of section 263 of the Act respecting municipal taxation (R.S.Q., chapter F-2.1) is amended to that effect, the tax account subject to an abatement pursuant to the provisions enacted by section 5 of this Act must contain a schedule in which the method used in establishing the amount of the abatement is explained in general terms, including examples, or in specific terms.

16. Paragraphs 5 and 8 of section 10 have effect from 13 May 1994.

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