



NATIONAL ASSEMBLY

SECOND SESSION

THIRTY-FOURTH LEGISLATURE

Bill 55

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

Introduction

**Introduced by
Mr Claude Ryan
Minister of Municipal Affairs**

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EXPLANATORY NOTES

This bill amends the Act respecting municipal taxation as well as other legislative provisions related to municipal finances. Some of the rules adopted in June 1991 by chapter 32 are revised and new administrative measures are adopted.

The bill revises certain rules relating to the surtax on non-residential immovables. Thus, it requires in a municipality levying this surtax that an abridged schedule listing the names of occupants to whom a municipal subsidy compensating for the surtax may apply or, where there are no such occupants, that a blank abridged schedule be deposited. The bill abolishes the waiting period of 60 days imposed under the Act in relation to the surtax abatement and enables municipalities to determine the scope of application of the right to abatement.

In addition, the bill clarifies the notion of vacancy with respect to a unit of assessment or separate premises and extends its scope to include a unit and separate premises that are unoccupied but are not available on the market by reason of a lease which is not yet in execution. It reduces the difficulties involved in making entries on the schedule and keeping the schedule up to date.

The bill also gives a precise explanation with respect to the various rights which may be taken into account in the process of establishing the real value of a unit of assessment.

In addition, the bill allows a municipality to prepare a roll of rental values that will be used solely for determining the contributions of members of an initiatives and development association for commercial districts.

The bill also takes certain municipalities off the list of municipalities in which car owners are required to pay an annual contribution towards the financing of certain mass transit services.

The bill provides as well for the implementation of a number of measures designed to allow the government administration to reduce the costs of certain services it provides to municipalities and municipal and supramunicipal bodies by requiring beneficiaries to contribute financially.

Finally, this bill includes concordance amendments concerning certain administrative rules.

ACTS AMENDED BY THIS BILL:

- Act respecting municipal taxation (R.S.Q., chapter F-2.1);
- Act respecting the Ministère des Affaires municipales (R.S.Q., chapter M-22.1);
- Transport Act (R.S.Q., chapter T-12);
- Act to amend various legislative provisions respecting municipal finances (1991, chapter 32).

Bill 55

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

THE PARLIAMENT OF QUÉBEC ENACTS AS FOLLOWS:

ACT RESPECTING MUNICIPAL TAXATION

1. Section 14.1 of the Act respecting municipal taxation (R.S.Q., chapter F-2.1), enacted by section 9 of chapter 32 of the statutes of 1991, is amended

(1) by adding, at the end of the third paragraph, the following sentence: "In a resolution to repeal, the municipality may provide that its roll then in force shall cease to apply for any subsequent fiscal year.";

(2) by replacing the words "or a tariff" in the fourth line of the fourth paragraph by the words ", a tariff or an assessment of the members of an initiatives and development association for commercial districts, the municipality or, as the case may be,";

(3) by replacing the words "or the tariff" in the eleventh line of the fourth paragraph by the words ", the tariff or the assessment";

(4) by adding, at the end, the following paragraph:

"Section 264 does not apply to a roll of rental values drawn up for the purposes of the imposition of an assessment on the members of an initiatives and development association for commercial districts; the median proportion and comparative factor of such a roll are deemed to be 100 % and 1, respectively."

2. The said Act is amended by inserting, after section 45, the following section:

“45.1 For the purposes of sections 43 to 45, account may be taken of all or part of the rights held, in relation to a unit of assessment, by a person other than its owner.”

3. Section 69 of the said Act, enacted by section 33 of chapter 32 of the statutes of 1991, is amended

(1) by inserting the word “comprehensive” before the word “schedule” in the second line of the first paragraph;

(2) by replacing the word “unoccupied” in the ninth line of the first paragraph by the word “vacant”;

(3) by adding, at the end of the first paragraph, the following sentence: “However, the schedule need not mention the occupant of separate premises for the sole reason that he is lodged in an immovable requiring of the operator that he hold a permit issued under the Tourist Establishments Act (1987, chapter 12).”;

(4) by inserting the words “to which the owner is a party” after the words “separate lease” in the second line of the second paragraph;

(5) by replacing the words “a residential immovable referred to in the first paragraph of section 244.11” in the fourteenth and fifteenth lines of the third paragraph by the words “an immovable requiring of the operator that he hold a permit issued under the Tourist Establishments Act”;

(6) by replacing the first four lines of the fourth paragraph by the following sentence: “The roll of a local municipality without a resolution in force adopted pursuant to the first paragraph shall include an abridged schedule containing the particulars prescribed in the first paragraph only as regards separate premises, comprised in a unit of assessment identified on the roll in accordance with section 57.1, of which the owner or occupant is a person”;

(7) by adding, at the end of the fourth paragraph, the following sentence: “However, a municipality may adopt a resolution to prescribe that its roll contain no abridged schedule; such a resolution shall have effect only with respect to the first roll coming into force after the adoption of the resolution; in such a case, the municipality shall not, for the purposes of the fiscal years to which that roll applies, impose the surtax on non-residential immovables which is provided for in section 244.11; in the case where a municipality does not have jurisdiction in matters of assessment, its clerk shall send an authenticated copy of the resolution, before 1 April of the fiscal year preceding the first fiscal year for which the said roll applies, to the municipal body responsible for assessment.”;

(8) by replacing the words “or to the resolution by which a municipality avails itself of the fourth paragraph of this section.” in the third and fourth lines of the fifth paragraph by the following sentence: “. In the resolution which repeals a resolution adopted pursuant to the first paragraph, the municipality may provide that the comprehensive schedule shall cease to apply for the purposes of any subsequent fiscal year; in such a case, sections 174, 175 to 184 and 244.17 cease to apply for the purposes of such a fiscal year with respect to separate premises which are not required to be entered on the abridged schedule.”

4. Section 70 of the said Act, amended by section 34 of chapter 32 of the statutes of 1991, is again amended by adding, at the end of the first paragraph, the following sentence: “If, at the time of the deposit of the roll, no unit of assessment identified in accordance with section 57.1 includes separate premises of which the owner or occupant is a person entitled to a subsidy under section 244.20 which are required to be entered on the abridged schedule appended to the roll pursuant to the fourth paragraph of section 69, a blank abridged schedule shall be deposited.”

5. Section 135 of the said Act, amended by section 62 of chapter 32 of the statutes of 1991, is again amended by striking out the second sentence of the second paragraph.

6. Section 174 of the said Act, amended by section 16 of chapter 29 of the statutes of 1991 and by section 81 of chapter 32 of the statutes of 1991, is again amended

(1) by inserting the words “, to add to the schedule an entry erroneously omitted or strike out from the schedule an entry erroneously made” after the figure “69” in the third line of paragraph 13.2;

(2) by replacing the words “or as a result of the addition or withdrawal of separate premises” in the seventh and eighth lines of paragraph 13.2 by the words “, as a result of the addition or withdrawal of separate premises or on grounds set out in another paragraph of this section”.

7. Section 230 of the said Act, amended by section 107 of chapter 32 of the statutes of 1991, is again amended by replacing the word “equal” in the second paragraph by the words “and redistribution costs each equal”.

8. Section 231.2 of the said Act is replaced by the following section:

“231.2 Any trapping camp owned by an Indian, as defined by regulation of the Government, who practises a trapping activity which is recognized by the band council of the band to which he belongs is exempt from municipal or school real estate taxes, on the portion of its value that does not exceed \$15 000.”

9. Section 244.15 of the said Act, enacted by section 128 of chapter 32 of the statutes of 1991, is amended

(1) by striking out the second sentence of the first paragraph;

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

“However, the municipality may, in the by-law,

(1) prescribe that a unit or separate premises be taken into consideration for the purposes of abatement only if they are vacant for the number of days fixed by the municipality, specify whether the days taken into account in computing this number must occur consecutively and, in such a case, whether the days must be included in a single fiscal year or whether they may be included in two fiscal years and specify whether a unit or separate premises, once a number has been reached, are to be taken into consideration for the purposes of abatement from the day the number is reached or from the first of the days, consecutive or not, as the case may be, included in the fiscal year for which abatement is granted;

(2) prescribe that a debtor be entitled to abatement only if vacancies within a unit reach, taking into account, where applicable, any regulatory provision adopted pursuant to paragraph 1, a certain percentage and prescribe the rules for establishing that percentage.”;

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

“A unit of assessment is considered to be vacant when it is unoccupied and is either up for sale or offered for rent on the market for immediate occupation, is unfit for occupancy, is undergoing work which prevents it from being occupied or is subject to a lease whose execution has not commenced. Separate premises are considered to be vacant when they are unoccupied and are either offered for rent on the market for immediate occupation, are unfit for occupation, are undergoing work which prevents them from being occupied or are subject to a lease whose execution has not commenced. For the purposes of this paragraph, a lease does not include a sublease or the assignment of a lease.”;

(4) by replacing the word “three” in the first line of the fourth paragraph by the word “four”.

10. Section 244.16 of the said Act, enacted by section 128 of chapter 32 of the statutes of 1991, is amended

(1) by replacing subparagraph 5 of the second paragraph by the following subparagraph:

“(5) where applicable, any regulatory provision adopted pursuant to the second paragraph of section 244.15.”;

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

“The rules for the calculation of an abatement may provide that the amount of the surtax which may be attributed to a vacant unit or separate premises for the period when vacancy is taken into consideration be compensated, either completely or partially, by the amount of the abatement.”

11. Section 244.18 of the said Act, enacted by section 128 of chapter 32 of the statutes of 1991, is amended by replacing the word “March” in the third line of the second paragraph by the word “May”.

12. Section 244.19 of the said Act, enacted by section 128 of chapter 32 of the statutes of 1991, is amended by replacing the last five lines by the following lines: “assessment which does not constitute separate premises which are required to be entered on the comprehensive schedule of a real estate assessment roll, under the first three paragraphs of section 69, regardless of whether a comprehensive schedule, or an abridged schedule provided for in the fourth paragraph of the said section, is included on the roll of the municipality concerned.”

13. Section 244.20 of the said Act, enacted by section 128 of chapter 32 of the statutes of 1991, is amended by adding, at the end of the first paragraph, the following sentence: “However, such a person is not entitled to a subsidy for the sole reason that he is lodged in an immovable requiring of the operator that he hold a permit issued under the Tourist Establishments Act (1987, chapter 12).”

14. The English text of section 245 of the said Act, replaced by section 129 of chapter 32 of the statutes of 1991, is amended by replacing the words “made to the real estate assessment roll takes effect” in the fourth and fifth lines of the fourth paragraph by the words “is made to the real estate assessment roll coming into force”.

15. Section 262 of the said Act, amended by section 25 of chapter 29 of the statutes of 1991 and by section 153 of chapter 32 of the statutes of 1991, is again amended

(1) by replacing the words “, preserving and refunding” in the fifth and sixth lines of paragraph 8 by the words “and preserving”;

(2) by striking out the words “and authorize a Native community or a person to recognize an activity as a trapping activity” in the first and second lines of paragraph 8.1.

ACT RESPECTING THE MINISTÈRE DES AFFAIRES MUNICIPALES

16. The Act respecting the Ministère des Affaires municipales (R.S.Q., chapter M-22.1) is amended by inserting, after section 21, the following division:

“DIVISION IV.1

“AMOUNT PAYABLE REGARDING LOANS

“21.1 The Government may, by regulation, render obligatory the payment of a sum of money to the Minister of Finance, as charges for the examination and processing by the Minister of Municipal Affairs of any loan, other than a temporary loan, contracted by the issue of bonds or the subscription of notes or other instruments by any local municipality, any mandatory body of a municipality or any supramunicipal body.

The regulation shall fix a procedure allowing for the determination of the charges, the period within which the payment of the sum of money must be made and the rate of interest that must be paid on a payable instalment.

For the purposes of this section, the expressions “mandatory body” and “supramunicipal body” have the meanings given them by sections 18 and 19 of the Act respecting the pension plan of elected municipal officers (R.S.Q., chapter R-9.3).”

TRANSPORT ACT

17. Schedule A to the Transport Act (R.S.Q., chapter T-12), enacted by section 263 of chapter 32 of the statutes of 1991, is amended by striking out the names of the following municipalities: “Ville de Beauharnois, Village de Melocheville, Ville de Mirabel, Paroisse de Saint-Placide, Village de Saint-Placide, Municipalité de Saint-Gabriel-de-Valcartier, Municipalité de Shannon and Ville de Bécancour.”

ACT TO AMEND VARIOUS LEGISLATIVE PROVISIONS RESPECTING MUNICIPAL FINANCES

18. Section 280 of the Act to amend various legislative provisions respecting municipal finances (1991, chapter 32) is amended

(1) by inserting the words “for the duration of the lease” after the word “pay” in the ninth line of the first paragraph;

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

“However, the first paragraph does not apply to the rent stipulated in a lease concerning part of an immovable which does not constitute separate premises which are required, under the first three paragraphs of section 69 of the amended Act, to be entered on the comprehensive schedule to a real estate assessment roll, regardless of whether a comprehensive schedule, or an abridged schedule provided for in the fourth paragraph of the said section, is included on the roll of the municipality concerned.”

19. Section 282 of the said Act is amended by replacing the words “or Ville de Saint-Rédempteur” in the fourth line by the words “, Ville de Saint-Rédempteur, Ville de Sainte-Anne-des-Plaines or Village de Métis-sur-Mer”.

20. Section 286 of the said Act is amended

(1) by inserting the word and figure “57 or” after the word “section ” in the second line of the first paragraph;

(2) by inserting the words and figure “third paragraph of section 57 or in the” before the word “fourth” in the fourth line of the second paragraph;

(3) by inserting the word and figure “57 or” after the word “section” in the second line of the third paragraph;

(4) by inserting the word and figure “13 or” after the word “paragraph” in the fifth line of the third paragraph;

(5) by inserting the words and year “or of 1993” after the year “1992” in the seventh line of the third paragraph;

(6) by adding, at the end, the following paragraph:

“If, in accordance with the third paragraph, the entries referred to in the first paragraph of section 57 of the amended Act are made

by way of alterations to the roll taking effect at the beginning of a fiscal year, other than the first fiscal year, to which the roll applies, the municipality may impose, for that fiscal year and, where that is the case, for any subsequent fiscal year to which the roll applies, the surtax provided for in section 486 of the Cities and Towns Act (R.S.Q., chapter C-19) and in article 990 of the Municipal Code of Québec (R.S.Q., chapter C-27.1).”

TRANSITIONAL AND FINAL PROVISIONS

21. For the purposes of sections 22 and 23,

“**non-residential immovable**” means any non-residential immovable, other than an immovable in an agricultural operation registered in accordance with a regulation made under section 36.15 of the Act respecting the Ministère de l’Agriculture, des Pêcheries et de l’Alimentation (R.S.Q., chapter M-14) and any residential immovable referred to in the first paragraph of section 244.11 of the Act respecting municipal taxation (R.S.Q., chapter F-2.1);

“**surtax**” means the surtax on non-residential immovables and the amount standing in lieu of the surtax that must be paid, either by the Government in accordance with the second paragraph of section 210 of the Act respecting municipal taxation or the first paragraph of sections 254 and 255 of that Act or by the Crown in right of Canada or by any of its mandataries;

“**taxable value**” in addition to its ordinary meaning, means the non-taxable value in the case of an immovable in respect of which the surtax on non-residential immovables must be paid in accordance with the first paragraph of section 208 of the Act respecting municipal taxation or in respect of which the sum standing in lieu thereof and referred to in the definition of the word “surtax” must be paid.

22. Any unit of assessment subject to the surtax and comprising both non-residential and other immovables belongs to one of the following categories, according to the percentage that the total taxable value of non-residential immovables is of the total taxable value of the unit:

- (1) Category 1A: less than 0.5 %;
- (2) Category 1B: 0.5 % or over and less than 1 %;
- (3) Category 1C: 1 % or over and less than 2 %;
- (4) Category 2: 2 % or over and less than 4 %;

- (5) Category 3: 4 % or over and less than 8 %;
- (6) Category 4: 8 % or over and less than 15 %;
- (7) Category 5: 15 % or over and less than 30 %;
- (8) Category 6: 30 % or over and less than 50 %;
- (9) Category 7: 50 % or over and less than 70 %;
- (10) Category 8: 70 % or over and less than 95 %;
- (11) Category 9: 95 % or over and less than 100 %.

23. For the purpose of calculating the amount of the surtax payable in respect of a unit of assessment referred to in section 22, all or part of the surtax corresponding to one of the following percentages shall be applied, according to the category provided for in that section to which the unit belongs:

- (1) Category 1A: 0.1 %;
- (2) Category 1B: 0.5 %;
- (3) Category 1C: 1 %;
- (4) Category 2: 3 %;
- (5) Category 3: 6 %;
- (6) Category 4: 12 %;
- (7) Category 5: 22 %;
- (8) Category 6: 40 %;
- (9) Category 7: 60 %;
- (10) Category 8: 85 %;
- (11) Category 9: 100 %.

24. Sections 21 to 23 apply for the purposes of the 1993 municipal fiscal year.

For the purposes of any legislative or regulatory provision, for the purposes of the 1993 fiscal year, the categories provided for in section 22 and the percentages provided for in section 23 replace those provided for in the regulation adopted under paragraph 10 of section

263 of the Act respecting municipal taxation as enacted by section 154 of chapter 32 of the statutes of 1991.

25. A local municipality whose territory is situated within the territory of the Communauté urbaine de Montréal may, in the resolution authorizing its decision to cease to use a roll of rental value for the imposition of the business tax, avail itself of the power conferred by the second sentence of the third paragraph of section 14.1 of the Act respecting municipal taxation, as enacted by section 9 of chapter 32 of the statutes of 1991 and amended by section 1 of this Act.

26. Section 2 has effect from 21 December 1979.

The first paragraph does not apply to cases which are pending on (*insert here the date of introduction of this Act*).

27. Paragraphs 1, 2, 5 and 6 of section 3, section 4, paragraph 3 of section 9 and section 20 have effect for the purposes of any municipal fiscal year beginning with that of 1993.

28. Paragraph 3 of section 3 and sections 12 to 14, 18 and 19 have effect from 20 June 1991.

29. The resolution referred to in the second sentence of the fourth paragraph of section 69 of the Act respecting municipal taxation as enacted by section 33 of chapter 32 of the statutes of 1991, which was added by paragraph 7 of section 3, may be adopted at any time while the roll in force on 1 January 1993 is applicable and shall have effect for the fiscal years to which the roll applies, in the case of a local municipality meeting the following conditions:

(1) having a roll on which units of assessment are identified in accordance with section 57.1 of the Act;

(2) not having a resolution in force adopted under the first paragraph of section 69 of the Act;

(3) not having imposed a surtax on non-residential immovables for the 1993 fiscal year.

30. Where a blank of the schedule to the real estate assessment roll must be deposited for the purposes of the 1993 municipal fiscal year under the first paragraph of section 70 of the Act respecting municipal taxation as amended by section 34 of chapter 32 of the statutes of 1991 and by section 4, the schedule may be deposited before 1 February 1993.

31. Notwithstanding section 5, the Bureau de révision de l'évaluation foncière du Québec may order the refund of the amount of money accompanying a complaint which was paid by a complainant before (*insert here the date of assent to this Act*).

Any regulatory provision adopted under paragraph 8 of section 262 of the Act respecting municipal taxation and relating to the norms, conditions and modalities applicable to the refund of an amount of money paid at the time of the filing of a complaint remains in effect, notwithstanding the amendment made to that paragraph by section 15, for the purposes of a refund ordered in accordance with the first paragraph.

32. Section 7 applies to any apportionment made under section 230 of the Act respecting municipal taxation, beginning with the apportionment of tax revenues collected from 1 July 1992 to 30 June 1993.

33. A trapping camp, on the portion of its value that does not exceed \$15 000, is deemed to have been exempt from municipal and school real estate taxes for the purposes of any fiscal year, beginning with that of 1989, during which the camp is owned by an Indian practising a trapping activity.

The practice of a trapping activity during the fiscal year to which the exemption from real estate taxes within the meaning of the first paragraph applies must be recognized by the band council of the band to which the Indian belongs at the latest on (*insert here the date one year after the date of assent to this Act*).

The first and second paragraphs do not apply in respect of a trapping camp which, for a fiscal year beginning with that of 1989, was exempted from municipal or school real estate taxes in accordance with section 231.2 of the Act respecting municipal taxation. Recognition granted in accordance with this section is deemed to have been granted in accordance with section 231.2 of the Act respecting municipal taxation as enacted by section 8.

34. For the purposes of section 231.2 of the Act respecting municipal taxation, as enacted by section 8, and of section 33, an "Indian" is any person of Indian descent who is a registered member of a band and who usually resides on a reserve, in an establishment whose name is entered on the Schedule to the Regulation respecting the municipal and school tax structure of certain trapping camps, published in the *Gazette officielle du Québec* of 5 July 1989, Part 2, "121st year" no. 28 at page 2474 or at his trapping camp.

The definition mentioned in the first paragraph applies with respect to section 231.2 of the Act respecting municipal taxation, as enacted by section 8, in place of the definition set out in the regulation referred to in the first paragraph, until the word "Indian" is defined in a regulation enacted pursuant to paragraph 8.1 of section 262 of the said Act, as amended by section 15.

35. Any regulatory provision adopted pursuant to the second paragraph, as enacted by section 9, of section 244.15 of the Act respecting municipal taxation, as enacted by section 128 of chapter 32 of the statutes of 1991, has effect for the purposes of any municipal fiscal year beginning with the 1993 fiscal year.

However, a municipality which includes, in a by-law providing for the granting of an abatement for the purposes of the 1992 fiscal year, a regulatory provision referred to in the first paragraph may render the provision applicable for the purposes of any fiscal year beginning with the 1992 fiscal year.

36. Any rule for the calculation of an abatement, established or amended pursuant to section 244.16 of the Act respecting municipal taxation, as enacted by section 128 of chapter 32 of the statutes of 1991 and amended by section 10, to take into account a regulatory provision adopted under section 35, has effect for the purposes of the same fiscal years as those for the purposes of which the regulatory provision has effect.

37. Any rule for the calculation of an abatement, established or amended pursuant to section 244.16 of the Act respecting municipal taxation, as enacted by section 128 of chapter 32 of the statutes of 1991 and amended by section 10, to prescribe that the amount of an abatement shall compensate all or part of the amount of a surtax which may be attributed to a vacant unit of assessment or vacant separate premises for the period where vacancy is taken into consideration, has effect for the purposes of any municipal fiscal year beginning with the 1993 fiscal year. However, the second paragraph of section 35, adapted as required, applies to such a rule of calculation.

38. Section 17 has effect from 1 January 1993.

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