

FOURTH SESSION
THIRTY-FIRST LEGISLATURE

ASSEMBLÉE NATIONALE DU QUÉBEC

Bill 18

**An Act to amend the Retail Sales Tax Act and to
make the Government and government agencies subject
to certain fiscal laws**

First reading
Second reading
Third reading

M. JACQUES PARIZEAU

Ministre du revenu

L'ÉDITEUR OFFICIEL DU QUÉBEC

1 9 7 9

EXPLANATORY NOTES

The object of this bill is to give effect to proposals contained in the Budget Speech respecting the retail sales tax and certain other consumer taxes.

The Retail Sales Tax Act is amended in order to revise certain exemptions relating to the sale of shrubs, trees and other natural plants. That act is also amended to provide for a tax exemption regarding sales of clothing and footwear after 31 March 1979.

Furthermore, this bill amends the Retail Sales Tax Act, the Meals and Hotels Tax Act, the Telecommunications Tax Act, the Fuel Tax Act, the Tobacco Tax Act, the Broadcast Advertising Tax Act, the Act respecting lotteries, racing, publicity contests and amusement machines and the Licenses Act to provide that the Government and government agencies are subject to these acts.

Sec. 1. The proposed amendment to the Retail Sales Tax Act is entirely new legislation.

Sec. 2. The object of the proposed amendment to paragraph h of section 15 of the act is to exempt from the retail sales tax, sales of bulbs, shrubs, trees and other natural plants, including their containers if less than \$5 in value.

The proposed amendment to paragraph o of section 15 of the act provides concordance with section 1 of the bill.

Paragraph o of section 15 of the act presently reads as follows:

“(o) Sales to the Government of Canada, to the Government of Québec, to a body the shares, capital or property of which are at least 90 per cent owned by the Government of Québec or to a corporation all the issued capital-stock of which, except directors’ qualifying shares, belongs to such a body;”.

The proposed amendment to paragraph p of section 15 of the act provides concordance with section 1 of the bill.

Bill 18

An Act to amend the Retail Sales Tax Act and to make the Government and government agencies subject to certain fiscal laws

HER MAJESTY, with the advice and consent of the Assemblée nationale du Québec, enacts as follows:

R.S., c. 71,
s. 2*a*,
added.

1. The Retail Sales Tax Act (Revised Statutes, 1964, chapter 71) is amended by inserting after section 2 the following section:

Applicability.

“2*a*. Notwithstanding any other general law or special act, this act is binding on the Government, government departments and agencies and mandataries of the Crown.”

R.S., c. 71,
s. 15, am.

2. Section 15 of the said act, amended by section 6 of chapter 31 of the statutes of 1968, section 27 of chapter 15 and section 1 of chapter 22 of the statutes of 1970, section 170 of chapter 17 of the statutes of 1973, section 10 of chapter 17 of the statutes of 1974, section 1 of chapter 26 of the statutes of 1975, section 2 of chapter 20 of the statutes of 1976, section 2 of chapter 27 of the statutes of 1977 and by section 1 of chapter 30 of the statutes of 1978, is again amended:

(*a*) by replacing paragraph *h* by the following paragraph:

“(*h*) Sales of bulbs, shrubs, trees and other plants, including the containers in which they are held at the time of sale, if less than \$5 in value, except sales of cut flowers, artificial flowers or plants or goods composed of natural or artificial flowers or plants;”;

(*b*) by striking out paragraph *o*;

(*c*) by replacing paragraph *p* by the following paragraph:

Paragraph p of section 15 of the act presently reads as follows:

“(p) Sales made to a fabrique or the trustees of a parish for purposes of worship, or to a cemetery society, company or corporation for the purposes of the cemetery, or to a hospital for the purposes of its work;”.

The proposed amendment to paragraph ae of section 15 of the act provides for a retail sales tax exemption on sales of certain moveable goods made after 31 March 1979, particularly on footwear and clothing the unit price of which does not exceed \$100 a pair or \$500, respectively.

Sec. 3. The proposed amendment provides concordance with paragraph d of section 2 of the bill.

Sec. 4. The proposed amendment to the Tobacco Tax Act is entirely new legislation.

Sec. 5. The proposed amendment to the Meals and Hotels Tax Act is entirely new legislation.

Sec. 6. The proposed amendment to the Licenses Act is entirely new legislation.

“(p) Sales made to the *fabrique* or the trustees of a parish for purposes of worship, or to a cemetery society, company or corporation for the purposes of the cemetery;”;

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

“(ae) Sales made after 31 March 1979 of woven or knitted fabric and natural or synthetic thread or yarn for embroidery, sewing, weaving or knitting, and sales of footwear and clothing, including handbags, suspenders, belts, neckties and scarves, except

(i) footwear the retail sales price of which is over \$100 a pair;

(ii) clothing the retail sales unit price of which is over \$500; and

(iii) clothing, whatever the price, the main object of which is to protect the body against the risk of injury or ailment arising out of the practice of any physical activity;”.

R.S., c. 71,
s. 31, am.

3. Section 31 of the said act, replaced by section 5 of chapter 20 of the statutes of 1976 and amended by section 3 of chapter 30 of the statutes of 1978, is again amended by replacing subparagraph *a* of the first paragraph by the following subparagraph:

“(a) to define the expression “production equipment” and “production” for the purposes of the application of paragraphs *aa* and *ab* of section 15;”.

R.S., c. 72,
s. 2a,
added.

4. The Tobacco Tax Act (Revised Statutes, 1964, chapter 72) is amended by inserting after section 2 the following section:

Applicability.

“**2a.** Notwithstanding any other general law or special act, this act is binding on the Government, government departments and agencies and mandataries of the Crown.”

R.S., c. 73,
s. 1a,
added.

5. The Meals and Hotels Tax Act (Revised Statutes, 1964, chapter 73) is amended by inserting after section 1 the following section:

Applicability.

“**1a.** Notwithstanding any other general law or special act, this act is binding on the Government, government departments and agencies and mandataries of the Crown.”

R.S., c. 79,
s. 1c,
added.

6. The Licenses Act (Revised Statutes, 1964, chapter 79) is amended by inserting after section 1b the following section:

Applicability.

“**1c.** Notwithstanding any other general law or special act, this act is binding on the Government, government departments and agencies and mandataries of the Crown.”

Sec. 7. *The proposed amendment to the Telecommunications Tax Act corrects an error in the numbering.*

Sec. 8. *The proposed amendment to the said act is entirely new legislation.*

Sec. 9. *The proposed amendment to the Fuel Tax Act is entirely new legislation.*

Sec. 10. *Section 15 of the Broadcast Advertising Tax Act presently reads as follows:*

"15. This act applies to the Crown."

Sec. 11. *The proposed amendment to the Act respecting lotteries, racing, publicity contests and amusement machines is entirely new legislation.*

1965, 1st
sess.,
c. 28, s. 1a,
replaced.

7. Section 1a of the Telecommunications Tax Act (1965, 1st session, chapter 28), enacted by section 31 of chapter 25 of the statutes of 1972, is replaced by the following section:

Minister
responsible.

“1 b. The Ministre du revenu is entrusted with the carrying out of this act.”

1965, 1st
sess.,
c. 28, s. 1c,
added.

8. The said act is amended by inserting after section 1b the following section:

Applicabili-
ty.

“1 c. Notwithstanding any other general law or special act, this act is binding on the Government, government departments and agencies and mandataries of the Crown.”

1972, c. 30,
s. 1a,
added.

9. The Fuel Tax Act (1972, chapter 30) is amended by inserting after section 1 the following section:

Applicabili-
ty.

“1 a. Notwithstanding any other general law or special act, this act is binding on the Government, government departments and agencies and mandataries of the Crown.”

1977, c. 29,
s. 15, re-
placed.

10. Section 15 of the Broadcast Advertising Tax Act (1977, chapter 29) is replaced by the following section:

Applicabili-
ty.

“15. Notwithstanding any other general law or special act, this act is binding on the Government, government departments and agencies and mandataries of the Crown.”

1978, c. 36,
s. 136-1,
added.

11. The Act respecting lotteries, racing, publicity contests and amusement machines (1978, chapter 36) is amended by inserting after section 136 the following section:

Applicabili-
ty.

“136-1 Subject to section 37 of the Act to incorporate the Société des loteries et courses du Québec (1978, chapter 38), this act is binding on the Government, government departments and agencies and mandataries of the Crown, notwithstanding any other general law or special act.”

Effect.

12. Section 1, paragraphs *a* to *c* of section 2 and sections 4 to 6 and 8 to 11 have effect from 28 March 1979.

Effect.

13. Paragraph *d* of section 2 and section 3 have effect from 1 April 1979.

Coming
into force.

14. This act comes into force on the day of its sanction.