

THIRD SESSION

THIRTY-FIRST LEGISLATURE

ASSEMBLÉE NATIONALE DU QUÉBEC

Bill 66

**An Act to amend the Act to authorize municipalities
to collect duties on transfers of immoveables**

First reading

Second reading

Third reading

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L'ÉDITEUR OFFICIEL DU QUÉBEC

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EXPLANATORY NOTES

This bill proposes amendments to the Act to authorize municipalities to collect duties on transfers of immoveables (1976, chapter 30), the object of which is to alter the said act under four aspects connected with exemptions from transfer duties.

One of these four aspects regards the estimation of the taxable consideration in case of redemption, by its previous owner, of an immoveable sold for real estate taxes. The object of the other amendments is to exempt certain types of transfers from the payment of transfer duties.

Sec. 1. *Section 8a, proposed by section 1, is entirely new law.*

Sec. 2. *This amendment provides for exemption from the payment of transfer duties in the case described in paragraph f proposed here. Paragraphs d and e are amended for purposes of concordance.*

Sec. 3. *This amendment provides for exemption from the payment of transfer duties in the cases described in paragraphs d to g proposed here. Paragraphs b and c are amended for purposes of concordance.*

Bill 66

An Act to amend the Act to authorize municipalities
to collect duties on transfers of immoveables

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

1. The Act to authorize municipalities to collect duties on transfers of immoveables (1976, chapter 30) is amended by inserting, after section 8, the following section:

“8a. Notwithstanding any contrary provision, the consideration for a transfer made in the exercise of the right of redemption of an immovable sold for taxes is the amount which has been paid for the exercise of such right.”

2. Section 17 of the said act is amended by replacing paragraphs *d* and *e* by the following paragraphs:

“(d) where the immovable is entered on the valuation roll as a farm or as a wood-lot;

“(e) where the immovable transferred is one of those referred to in section 3 of the Mining Act (1965, 1st session, chapter 34); or

“(f) where the immovable is transferred by a municipality or a county corporation to a transferee who had formerly transferred it gratuitously to that municipality or, as the case may be, to that county corporation.”

3. Section 19 of the said act is amended by replacing paragraphs *b* and *c* by the following:

“(b) the transfer is made by a transferor that is a corporation to a natural person, if such person is, immediately before the transfer, the owner of at least 90 per cent of the issued full voting shares of the capital stock of the transferor;

Sec. 4. This amendment provides for exemption from the payment of transfer duties in the case described in paragraph f proposed here. Paragraphs d and e are amended for purposes of concordance.

“(c) the transferee is a new corporation resulting from the amalgamation of several corporations;

“(d) the transferee is the parent corporation of the transferor, a subsidiary of the transferor or a subsidiary of a corporation that is a subsidiary of the transferor;

“(e) the transferor is a subsidiary of a corporation that is a subsidiary of the transferee;

“(f) both the transferor and the transferee are subsidiaries of the same parent corporation or subsidiaries of one or several corporations that is or are, as the case may be, a subsidiary or subsidiaries of the same parent corporation; or

“(g) the transfer is made by a transferor that is a non-profit corporation to a transferee that is a non-profit corporation, where 90 per cent of the members of one of these corporations are, at the time of the transfer, members of the other corporation.

“For the purposes of paragraphs *d*, *e* and *f* of the first paragraph, a corporation is a subsidiary, at a particular time, of another corporation, called the “parent corporation”, where at least 90 per cent of the issued full voting shares of its capital stock are the property of the latter.”

4. Section 20 of the said act is amended by replacing paragraphs *d* and *e* by the following paragraphs:

“(d) the deed relates to the transfer of an immoveable to an ascendant or descendant in the direct line, or between consorts, between father-in-law or mother-in-law and son-in-law or daughter-in-law, or between stepfather or stepmother and stepson or stepdaughter;

“(e) the deed relates to the transfer of an immoveable to a transferee that is a trust, and the transferor and the person in favour of whom the trust was established are related persons within the meaning of paragraph *d*; or

“(f) the deed relates to the transfer of an immoveable to a transferee that has insured a hypothecary loan, where that transfer is made from the hypothecary creditor to the insurer under a clause of the insurance policy stipulating that the payment of the indemnity, in the event of the default of the debtor, depends on that transfer.”

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