

1990, chapter 60

AN ACT TO AMEND THE RETAIL SALES TAX ACT AND OTHER FISCAL LEGISLATION

Bill 89

Introduced by Mr Raymond Savoie, Minister of Revenue

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Passage in principle 5 December 1990

Passage 14 December 1990

Assented to 14 December 1990

Coming into force: on the date or dates fixed by the Government

— 1 January 1991: ss. 1 to 63

G.O., 1991, Part 2, p. 19

Acts amended:

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

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

Licenses Act (R.S.Q., chapter L-3)

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

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

Broadcast Advertising Tax Act (R.S.Q., chapter T-2)

Telecommunications Tax Act (R.S.Q., chapter T-4)

Act repealed:

Meals and Hotels Tax Act (R.S.Q., chapter T-3)





CHAPTER 60

An Act to amend the Retail Sales Tax Act and other fiscal legislation

[Assented to 14 December 1990]

THE PARLIAMENT OF QUÉBEC ENACTS AS FOLLOWS:

c. I-1,
s. 2, am.

1. (1) Section 2 of the Retail Sales Tax Act (R.S.Q., chapter I-1), amended by section 1 of chapter 7 of the statutes of 1990, is again amended

(1) by replacing paragraph 7 by the following paragraph:

*“sale price”
or “purchase
price”*

“(7) “sale price” or “purchase price” means a price in money, and also the value of services rendered, the actual value of the thing exchanged, and other considerations or prestations accepted by the vendor as the price of the thing covered by the contract of sale. It includes the charges for the installation of the thing sold, for service, for customs, for excise and for transportation costs and all taxes paid or payable under the Excise Tax Act (Statutes of Canada) determined, in the case of the tax paid or payable under Part IX of the said Act, without reference to the input tax credit provided for in that Part, even when such are not shown separately on the invoice or in the vendor’s books;”;

(2) by striking out paragraphs 18 to 21;

(3) by adding, after paragraph 21, the following paragraphs:

*“collection
officer”*

“(22) “collection officer” has the meaning assigned by section 20.9.11;

“consumer”

“(23) “consumer” has the meaning assigned by section 123 of the Excise Tax Act (Statutes of Canada).”

(2) Paragraph 1 of subsection 1 applies in accordance with the provisions of section 58, except in respect of sales taxed at the rate of 9 %.

(3) Paragraphs 2 and 3 of subsection 1 apply in accordance with the provisions of section 58, except where paragraph 3 enacts paragraph 22 of section 2 of the Retail Sales Tax Act, in which case it has effect from 27 April 1990.

c. I-1,
s. 3, am.

2. (1) Section 3 of the said Act is amended

(1) by replacing the second and third paragraphs of subsection 1 by the following paragraphs:

Occasional
sale

“A person who makes a retail sale only by way of exception is not subject to the obligation set out in the first paragraph, except where he sells alcoholic beverages.

Obligation

Notwithstanding the second paragraph, a collection officer, contractor, wholesaler, importer or manufacturer carrying on business in Québec is subject to the obligation set out in the first paragraph.”;

(2) by adding, after the third paragraph of subsection 1, the following paragraph:

Obligation

“Every consumer, within the meaning of the Fuel Tax Act (R.S.Q., chapter T-1), who is required to hold a registration certificate under the said Act is also subject to the obligation set out in the first paragraph.”;

(3) by replacing subsection 4 by the following subsection:

Refusal,
suspension
or revocation

“(4) The Minister may refuse to issue such registration certificate to any person who, at any time during the preceding five years, was convicted of an offence under a fiscal law within the meaning of the Act respecting the Ministère du Revenu (R.S.Q., chapter M-31). He may also suspend or revoke the registration certificate of any person who, at any time during the preceding five years, was convicted of any such offence.”

(2) This section applies from 1 January 1991, except where it enacts the third paragraph of subsection 1 of section 3 of the Retail Sales Tax Act (R.S.Q., chapter I-1), in which case it has effect from 27 April 1990.

c. I-1,
ss. 5 and
6, replaced

3. (1) Sections 5 and 6 of the said Act are replaced by the following sections:

Security

"5. The Minister may require security in such amount as he may fix of any person who has no residence or place of business in Québec as a condition for the issue or continuance in force of a registration certificate.

Security

The Minister may also require of any person, as a condition for the issue or continuance in force of a registration certificate, security in such amount as he may fix, taking into account the amounts, if any, that the person is likely to collect, remit or pay under this Act within the six months following the date on which security is required or the amounts, if any, that the person had to collect, remit or pay under this Act for the six months preceding that date, if such person, as the case may be,

(a) was convicted during the preceding five years of an offence under a fiscal law within the meaning of the Act respecting the Ministère du Revenu (R.S.Q., chapter M-31),

(b) is insolvent, or

(c) owes duties within the meaning of the Act respecting the Ministère du Revenu (R.S.Q., chapter M-31).

Additional
security

The Minister may, at any time, require additional security where the amount of the security paid is less than the amount that could then be fixed under the second paragraph.

Sales
tax

"6. Every purchaser, at the time of making a purchase at a retail sale in Québec, shall pay a tax equal to 8 % of the purchase price of any moveable property; in the case of a lease, the tax is payable at the time prescribed by regulation."

(2) This section applies from 1 January 1991. In addition, where it enacts section 6 of the Retail Sales Tax Act (R.S.Q., chapter I-1), it also applies in respect of leases made before 1 January 1991, but only in respect of payments of rent made after 31 December 1990.

c. I-1,
s. 7, am.

4. (1) Section 7 of the said Act is amended

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

"(a) in the case of property produced by a person in Canada outside Québec and brought into Québec within twelve months of its production, the production cost of the property, including the tax paid or payable by that person under Part IX of the Excise Tax Act

(Statutes of Canada) in respect of the elements of that production cost, determined without reference to the input tax credit provided for in that Part;”;

(2) by replacing subparagraphs *c* and *d* of the second paragraph by the following subparagraphs:

“(c) notwithstanding subparagraph *b*, in the case of property leased outside Québec, the portion of the rent that may reasonably be ascribed to the right of enjoyment of the property in Québec, including the tax paid or payable by the person under Part IX of the Excise Tax Act (Statutes of Canada) in respect of that portion of the rent, determined without reference to the input tax credit provided for in that Part;

“(d) in other cases, the market value of the property, including the amount equal to the tax that would be paid or payable by the person under Part IX of the Excise Tax Act (Statutes of Canada) in respect of that property if it was acquired by him on that date for consideration equal to the market value of the property, determined without reference to the input tax credit provided for in that Part in respect of that property.”

(2) This section applies in accordance with the provisions of section 58.

c. I-1,
s. 7.0.1,
added

5. (1) The said Act is amended by inserting, after section 7, the following section:

Tax on
fuel

“7.0.1 Every consumer, within the meaning of the Fuel Tax Act (R.S.Q., chapter T-1), holding a registration certificate or required to hold such a certificate under this Act, who brings into Québec fuel acquired outside Québec and contained in the tank supplying the engine of a motor vehicle other than a pleasure vehicle shall, in respect of the fuel used in Québec, pay to the Minister a tax at the rate provided in section 6 calculated on the purchase price of such fuel.

Account
and
payment

The consumer shall render an account to the Minister, using the form prescribed by him, and remit to him the payable tax within the same period and on the same terms and conditions as those provided in the Fuel Tax Act in respect of the fuel referred to in the first paragraph.

Interpreta-
tion

For the purposes of the first paragraph, the expressions “motor vehicle” and “pleasure vehicle” have the meanings assigned by the Fuel Tax Act.”

(2) This section applies from 1 January 1991.

c. I-1,
s. 7.1, am.

6. (1) Section 7.1 of the said Act is amended by replacing the first paragraph by the following paragraph:

Delivery
outside
Canada

“7.1 Where a person is required to pay the tax provided for in section 6 or 7 and the property sold was delivered outside Canada, the purchase price of the property for that person includes customs duties, excise duties, the tax paid or payable under the Excise Tax Act (Statutes of Canada) determined, in the case of the tax paid or payable under Part IX of the said Act, without reference to the input tax credit provided for in that Part, transportation costs and any other expense he incurred to bring the property into Canada.”

(2) This section applies in accordance with the provisions of section 58.

c. I-1,
s. 7.2,
added

7. (1) The said Act is amended by inserting, after section 7.1, the following section:

Coupon

“7.2 For the purposes of section 6 or 7, where the vendor of a moveable property accepts a coupon in full or partial consideration for the sale of the property, the purchase price of the property so sold shall be reduced by an amount equal to the value of the coupon accepted as full or partial consideration, if that value reduces the value of the consideration on which the tax provided for in subsection 1 of section 165 of the Excise Tax Act (Statutes of Canada) in respect of the sale is calculated.

Coupon

The coupon referred to in the first paragraph is a coupon that may be exchanged for moveable property or that may entitle the purchaser of such property to a discount, but it does not include a gift certificate.”

(2) This section applies in accordance with the provisions of section 58.

c. I-1,
s. 8, am.

8. (1) Section 8 of the said Act is amended by replacing subparagraphs *a* and *b* of the second paragraph by the following subparagraphs:

“(a) in the case of a property produced by the person in Québec, the market value of the property mentioned in paragraph *y* of section 17, including an amount equal to the tax that would be paid or payable by that person under Part IX of the Excise Tax Act (Statutes of Canada) in respect of such property if it was acquired by him on that date for consideration equal to the market value of the property, determined without reference to the input tax credit provided for in that Part in respect of such property;

“(b) in other cases, the market value of the property, including an amount equal to the tax that would be paid or payable by the person under Part IX of the Excise Tax Act (Statutes of Canada) in respect of the property if it was acquired by him on that date for consideration equal to the market value of the property, determined without reference to the input tax credit provided for in that Part in respect of that property.”

(2) This section applies in accordance with the provisions of section 58.

c. I-1,
s. 8.1,
added

9. (1) The said Act is amended by inserting, after section 8, the following section:

Tax
included
in purchase
price

“**8.1** Where a person is required to pay the tax provided for in section 6, 7, 7.0.1 or 8, the purchase price of a moveable property contemplated in section 6 or 7.0.1 or the value of a moveable property contemplated in section 7 or 8 includes

(a) in the case of an alcoholic beverage, the tax paid or payable by the person under section 20.9.3, 20.9.4 or 20.9.5;

(b) in the case of fuel, the tax paid or payable by the person under the Fuel Tax Act (R.S.Q., chapter T-1);

(c) in the case of tobacco, the tax paid or payable by the person under the Tobacco Tax Act (R.S.Q., chapter I-2).”

(2) This section has effect from 27 April 1990, except where it enacts paragraphs b and c of section 8.1 of the Retail Sales Tax Act, in which case it applies from 1 January 1991. However, in the case of alcoholic beverages, for the period commencing on 27 April 1990 and ending on 31 December 1990, section 8.1 of the Retail Sales Tax Act, enacted by this section, shall read as follows:

Tax
included
in purchase
price

“**8.1** Where a person is required to pay the tax provided for in section 6, 7 or 8, the purchase price of a moveable property contemplated in section 6 or the value of a moveable property contemplated in section 7 or 8 includes, in the case of an alcoholic beverage, the tax paid or payable by the person under section 20.9.3, 20.9.4 or 20.9.5.

Exception

However, the first paragraph does not apply in the case of beer in respect of which section 12.1 applies.”

c. I-1,
s. 10.1, am.

10. (1) Section 10.1 of the said Act, amended by section 9 of chapter 5 of the statutes of 1989 and replaced by section 2 of chapter

7 of the statutes of 1990, is amended by adding, after the third paragraph, the following paragraph:

Market
value of
property

“The market value of a property, determined in accordance with this section, includes an amount equal to the tax that would be paid or payable by the person under Part IX of the Excise Tax Act (Statutes of Canada) in respect of the property if it was acquired by him at that time for consideration equal to such value, determined without reference to the input tax credit provided for in that Part in respect of such property.”

(2) This section applies in accordance with the provisions of section 58.

c. I-1,
s. 11,
replaced

11. (1) Section 11 of the said Act is replaced by the following section:

Calculation

“**11.** The tax imposed by this chapter shall be calculated separately on every purchase or lease. Any fraction of a cent, if equal to or greater than one-half of a cent, shall be counted as one cent.”

(2) This section applies in accordance with the provisions of section 58.

c. I-1,
ss. 12.1-12.3,
repealed

12. (1) Sections 12.1 to 12.3 of the said Act are repealed.

(2) This section applies in respect of beer sold after 31 December 1990. However, for the period commencing on 27 April 1990 and ending on 31 December 1990, the first paragraph of section 12.1 and section 12.2 of the Retail Sales Tax Act, repealed by this section, shall read as follows:

Sales tax
on beer

“**12.1** Notwithstanding section 6, the tax provided for in that section shall be computed, in the case of beer, on the aggregate of the average retail sales price per litre of beer and the specific tax provided for in section 20.9.3 in respect of beer computed per litre of beer.

Computa-
tion of
tax

“**12.2** The average retail sales price per litre mentioned in the second paragraph of section 12.1 shall be used to compute the tax provided for in section 6, until it is replaced by an average retail sales price that the Minister shall determine from time to time by means of a representative statistical sampling of the prices of beer sold in cases of 12 bottles of 341 millilitre capacity, excluding any tax provided for in this Act, in force in the beer retail outlets situated on the Island of Montréal.”

c. I-1,
s. 13, am.

13. (1) Section 13 of the said Act is amended by replacing the second paragraph by the following paragraph:

Tax
included
in sale
price

"The person required to collect the tax shall indicate to the purchaser, in the manner prescribed by regulation or on any invoice, receipt, writing or other document recording the sale, that the sale price includes the tax or so indicate to him the amount of the tax separately from the sale price, in which case he may indicate a total amount consisting of both that tax and the tax provided for in Part IX of the Excise Tax Act (Statutes of Canada). Where the person indicates the rate of the tax to the purchaser, he shall do so separately from the rate of any other tax."

(2) This section applies from 1 January 1991.

c. 1-1,
s. 14, am.

14. (1) Section 14 of the said Act is amended by adding, at the end, the following paragraphs:

Election
as to
determina-
tion of tax

"Notwithstanding the first paragraph, a person referred to by regulation, holding a registration certificate or a member of a class of persons referred to by regulation, holding a registration certificate may, for the purposes of computing the tax to be remitted, elect to determine such tax, for the periods during which the election is in effect, by a method prescribed by regulation.

Presumption

For the purposes of this Act and the Act respecting the Ministère du Revenu (R.S.Q., chapter M-31), the tax to be remitted, determined in accordance with the second paragraph, is deemed to be collected tax.

Obligations

The person making an election under the second paragraph shall

(a) file the election in prescribed form with the Minister, in such manner and with such information as he may prescribe,

(b) indicate the day the election is to become effective, which day shall be the first day of a period in which a report is required to be filed under the first paragraph, and

(c) file the election on or before the day on which he is required to file the report referred to in subparagraph b.

Effect of
election

The election referred to in the second paragraph ceases to have effect on the earlier of

(a) the first day of the period in which the report is required to be filed under the first paragraph and in which the person ceases to be a person referred to by regulation or a member of a class of persons referred to by regulation, and

(b) the last day of the period for which a report is filed under the first paragraph, where the person files, with the report, a notice of revocation of the election in the form prescribed by the Minister and with such information as he may determine.

Notice of
revocation
of election

The notice of revocation of the election shall not be filed with a report filed under the first paragraph for a period that ends earlier than one year after the election became effective."

(2) This section applies from 1 January 1991.

c. 1-1,
s. 17, am.

15. (1) Section 17 of the said Act, amended by section 3 of chapter 7 of the statutes of 1990, is again amended

(1) by replacing paragraph *b* by the following paragraph:

"(b) Sales of bars, ingots, coins or wafers that are composed of gold, silver or platinum and that are refined to a purity level of at least 99.5 % in the case of gold or platinum and at least 99.9 % in the case of silver;"

(2) by striking out paragraph *e*;

(3) by replacing paragraph *g* by the following paragraph:

"(g) Sales of food or beverages for human consumption, including seasonings, sweetening agents and other ingredients to be mixed with or used in the preparation of such food or beverages;"

(4) by inserting, after paragraph *g*, the following paragraphs:

"(g.1) Sales of food products for animal consumption;

"(g.2) Sales of meals the value of which is included in the price of accommodation for a place where a person lodges;"

(5) by replacing, in paragraph *h*,

(a) what precedes subparagraph *i* by the following:

"(h) Sales of trees, shrubs or other plants";

(b) by replacing subparagraph *iii* by the following subparagraph:

"iii. acquired to obtain products ordinarily used for human consumption, by a person whose business consists in cultivating such products;"

(6) by replacing paragraph *i* by the following paragraph:

“(i) Sales of livestock, metal wire or netting for fences, harness for horses, farm implements, tools, sugar bush or farm machinery, tractors, animal-drawn vehicles and spare parts therefor, to a *bona fide* sugar bush operator for the needs of his sugar bush or to a *bona fide* farmer for the needs of his farm, or sales of horses acquired by a person for use in the course of his business;”;

(7) by striking out paragraph *k*;

(8) by replacing paragraphs *l* and *l.1* by the following paragraphs:

“(l) Sales of medicaments for human consumption and dispensed on the prescription of a dentist or physician, or sales of medicaments to an establishment within the meaning of the Act respecting health services and social services (R.S.Q., chapter S-5);

“(l.1) Sales of

i. a communication device for use with telegraph or telephone apparatus by a person with a hearing or speech impairment when the device is dispensed on the written order of a physician;

ii. a heart-monitoring device when the device is dispensed to a consumer on the written order of a physician for use by a person with heart disease;

iii. a hospital bed dispensed to an organization or that part of an organization that operates a public hospital in Québec that is certified as such by the Department of National Health and Welfare, or dispensed on the written order of a physician for use by an incapacitated person;

iv. an artificial breathing apparatus that is specially designed for use by a person with a respiratory disorder;

v. a mechanical percussor for postural drainage treatment;

vi. a device that is designed to convert sound to light signals and dispensed on the written order of a physician for use by a person with a hearing impairment;

vii. a selector control device that is specially designed for use by a physically disabled person to enable the person to select, energize or control household, industrial or office equipment;

viii. ophthalmic lenses, with or without frames, dispensed for the treatment or correction of a defect of vision to a consumer on the

written order of an eye-care professional who is entitled under the laws of a province to prescribe such lenses;

- ix. an artificial eye;
- x. an artificial tooth;
- xi. a hearing aid;
- xii. a laryngeal speaking aid;
- xiii. an invalid chair, commode chair, walker, wheelchair lift or similar aid to locomotion, with or without wheels, including motive power and wheel assemblies therefor, that is specially designed for use by a disabled person;
- xiv. a patient lifter that is specially designed to move a disabled person;
- xv. a wheelchair ramp that is specially designed for access to a motor vehicle;
- xvi. a portable wheelchair ramp;
- xvii. an auxiliary driving control that is designed for attachment to a motor vehicle to facilitate the operation of the vehicle by a physically disabled person;
- xviii. a patterning device that is specially designed for use by a disabled person;
- xix. a toilet-, bath- or shower-seat that is specially designed for use by a disabled person;
- xx. an insulin infusion pump or an insulin syringe;
- xxi. an artificial limb;
- xxii. a spinal or other orthopaedic brace;
- xxiii. a specially constructed appliance that is made to order for a person who has a crippled or deformed foot or ankle;
- xxiv. a medical or surgical prosthesis, or an ileostomy, colostomy or urinary appliance or similar article that is designed to be worn by a person;
- xxv. an article or material, not including a cosmetic, for use by a user of, and necessary for the proper application and maintenance

of, a property described in subparagraph xxiv; “cosmetic” means a property, whether or not possessing therapeutic or prophylactic properties, commonly or commercially known as a toilet article, preparation or cosmetic that is intended for use or application for toilet purposes or for use in connection with the care of the human body, or any part thereof, whether for cleansing, deodorizing, beautifying, preserving or restoring, and includes a toilet soap, skin cream or lotion, mouth wash, oral rinse, toothpaste, tooth powder, denture cream or adhesive, antiseptic, bleach, depilatory, perfume, scent and any similar toilet article, preparation or cosmetic;

xxvi. a cane or crutch that is designed for use by a physically disabled person;

xxvii. a blood-glucose monitor or meter;

xxviii. urinary-sugar or urinary-ketone testing reagents or tablets, or blood-sugar, blood-ketone, urinary-sugar or urinary-ketone testing strips;

xxix. any article that is specially designed for the use of blind persons, when the article is purchased or sold by, or sold on the order or certificate of, a physician, the Canadian National Institute for the Blind or any other *bona fide* association or institution for the blind for use by a blind person;

xxx. a dog that is or is to be trained as a guide dog for the use of a blind person, purchased or sold by an organization that is operated for the purpose of supplying guide dogs to blind persons;

xxxi. a part, accessory or attachment that is specially designed for a property described in this paragraph;

xxxii. any property prescribed by regulation;”;

(9) by inserting, after paragraph 1.1, the following paragraphs:

“(1.2) Sales of digoxin, digitoxin, prenylamine, deslanoside, erythrityl tetranitrate, isosorbide dinitrate, nitroglycerine, quinidine and its salts, medical oxygen, epinephrine and its salts, for human consumption;

“(1.3) Sales of medical or surgical equipment or supplies that are exempt supplies described in Part II of Schedule V to the Excise Tax Act (Statutes of Canada), or sales of property the price of which is payable or reimbursed by the government of a province under a health care services plan established under an Act of the legislature of the province;

“(l.4) Sales of medicaments for animal use dispensed on the prescription of a veterinarian, where the animals are used in the course of a business or the medicaments are administered in the course of a business;”;

(10) by striking out paragraph *s*;

(11) by replacing paragraph *t* by the following paragraph:

“(t) Sales of advertising inserts or magazines unless, in the latter case, the magazines are sold by subscription; the word “magazines” does not include newspapers nor printed books and their updates;”;

(12) by replacing paragraph *v* by the following paragraph:

“(v) Sales of bulbs, fertilizers, fungicides, herbicides, insecticides or seeds acquired by a person for use in his business of cultivating the soil or of raising utility livestock, and sales of drain tiles for agricultural purposes;”;

(13) by striking out paragraphs *w*, *x*, *ad*, *ag* and *aj*;

(14) by replacing paragraph *ak* by the following paragraph:

“(ak) Sales of fuel, other than natural gas, exempt from the tax prescribed in the Fuel Tax Act (R.S.Q., chapter T-1) and used to supply a propulsion engine within the meaning of the said Act.”;

(15) by striking out paragraph *al*;

(16) by striking out paragraph *am*.

(2) Subsections 1, 3 to 13 and 16 apply in accordance with the provisions of section 58, and subsections 2, 14 and 15 apply from 1 January 1991.

c. I-1,
s. 18.1,
replaced

16. (1) Section 18.1 of the said Act, amended by section 4 of chapter 7 of the statutes of 1990, is replaced by the following section:

Taxable
goods

“18.1 Notwithstanding paragraph *g* of section 17 and subject to paragraph *g.2* of the said section, the tax provided for in this chapter applies to sales of the following property, other than sales that are exempt supplies described in Part II, III or VI of Schedule V to the Excise Tax Act (Statutes of Canada):

(a) beer, malt liquor, spirits, wine or other alcoholic beverages;

(b) non-alcoholic malt beverages;

(c) carbonated beverages;

(d) non-carbonated fruit juice beverages or fruit flavoured beverages, other than milk-based beverages, that contain less than 25 % by volume of

i. a natural fruit juice or combination of natural fruit juices, or

ii. a natural fruit juice or combination of natural fruit juices that have been reconstituted;

(e) goods that, when added to water, produce a beverage described in paragraph d;

(f) candies, confectionery that may be classed as candy, or any goods sold as candies, such as candy floss, chocolate and chewing gum, whether naturally or artificially sweetened, and including fruits, seeds, popcorn and nuts when they are coated or treated with chocolate, molasses, honey, syrup, sugar, candy or artificial sweeteners;

(g) sticks, chips or curls, such as cheese sticks, potato sticks, bacon crisps, corn chips, potato chips or cheese curls, and other similar snack foods, brittle pretzels or popcorn, but not including any product that is sold primarily as a breakfast cereal;

(h) salted seeds or salted nuts;

(i) granola products, but not including any product that is sold primarily as a breakfast cereal;

(j) snack mixtures that contain cereals, dried fruit, seeds, nuts or any other edible product, but not including any mixture that is sold primarily as a breakfast cereal;

(k) ice lollies or flavoured, coloured or sweetened ice waters, whether frozen or not;

(l) ice cream, frozen pudding, ice milk, sherbet, frozen yoghurt or any product that contains any of those products, when packaged in single servings;

(m) fruit drops, rolls or bars or similar fruit-based snack foods;

(n) doughnuts, cookies, croissants with sweetened coating, icing or filling, cakes, muffins, pastries, pies, tarts or similar products (but not including bread products without sweetened coating, icing or filling, such as bagels, croissants, English muffins or bread rolls) where

i. they are prepackaged for sale to consumers in quantities of less than six items each of which is a single serving, or

ii. they are not prepackaged for sale to consumers and are sold as single servings in quantities of less than six;

(o) pudding, yoghurt or beverages, other than unflavoured milk, other than when packaged for sale to consumers in multiples of single servings or in a quantity exceeding a single serving or when prepared and packaged specially for consumption by babies;

(p) the following prepared foods and beverages sold in a form suitable for immediate consumption, either where sold or elsewhere:

i. food or beverages heated for consumption,

ii. prepared salads,

iii. sandwiches and similar products,

iv. platters of cheese, fruit, vegetables or cold cuts and other arrangements of prepared food,

v. ice cream, frozen pudding, ice milk, sherbet, frozen yoghurt or a product containing any of those products when sold in single servings and dispensed at the place where it is sold, and

vi. beverages dispensed at the place where they are sold;

(q) food or beverages sold through a vending machine;

(r) food or beverages sold at an establishment at which all or substantially all of the sales of food or beverages are sales of food or beverages included in any of paragraphs *a* to *q*, except where

i. the food or beverage is sold in a form not suitable for immediate consumption, having regard to the nature of the product, the quantity sold or its packaging, or

ii. in the case of a product described in paragraph *n*, the product is not sold for consumption at the establishment and,

(1) is prepackaged for sale to consumers in quantities of more than five items each of which is a single serving, or

(2) is not prepackaged for sale to consumers and is sold as single servings in quantities of more than five."

(2) This section applies in accordance with the provisions of section 58.

c. I-1,
s. 18.1.1,
added

17. (1) The said Act is amended by inserting, after section 18.1, the following section:

Taxable
goods

"18.1.1 Notwithstanding paragraph *g.1* of section 17, the tax provided for in this chapter applies to sales of the following property:

(a) food products intended for household pets, other than such products purchased by a person who, as part of an enterprise, raises or keeps such pets for sale;

(b) food products intended for wild birds."

(2) This section applies in accordance with the provisions of section 58.

c. I-1,
s. 20.0.2,
added

18. (1) The said Act is amended by inserting, after section 20.0.1, the following section:

Property
delivered
by means
of wires
or pipelines

"20.0.2 For the purposes of taxation of the sale of moveable property that is delivered on a continuous basis by means of a wire, pipeline or other conduit and for which an invoice is issued for a period commencing before 1 January 1991 and ending after 31 December 1990, the tax provided for in this chapter shall be computed as if an equal part of the whole of the property sold were sold on each day of the period."

(2) This section applies from 1 January 1991.

c. I-1,
s. 20.1,
repealed

19. (1) Section 20.1 of the said Act is repealed.

(2) This section applies in accordance with the provisions of section 58.

c. I-1,
s. 20.2.1,
replaced

20. (1) Section 20.2.1 of the said Act is replaced by the following section:

Modified
vehicle

"20.2.1 A person contemplated in section 20.2 is also entitled to the reimbursement of the tax paid by him under section 7 where he has begun to use a property described in the said section 20.2."

(2) This section applies in accordance with the provisions of section 58.

c. I-1,
s. 20.8,
repealed

21. (1) Section 20.8 of the said Act is repealed.

(2) This section applies in accordance with the provisions of section 58.

c. I-1,
ss. 20.8.1,
20.8.2,
added

22. (1) The said Act is amended by inserting, before section 20.9, the following sections:

Reimburse-
ment of tax

“20.8.1 A person is entitled to the reimbursement of the tax paid by him on the purchase of fuel used to supply a propulsion engine if he is entitled to a refund pursuant to the Fuel Tax Act (R.S.Q., chapter T-1) in respect of the purchase, or would be entitled to a refund if the fuel were subject to the said Act, provided he applies therefor in the form prescribed by the Minister, within the same time limit and on the same terms and conditions as those provided in the said Act.

Computation

The reimbursement contemplated in the first paragraph shall be computed by using the same proportion as that used for the purposes of computing the refund to which the person is entitled or would be entitled under the Fuel Tax Act.

Reimburse-
ment of tax

“20.8.2 A person, other than a person referred to in section 20.8.1, is entitled to the reimbursement of the tax paid by him on the purchase of gasoline to be used for supplying an aircraft engine or of coloured fuel oil for supplying a railroad locomotive engine, provided he applies therefor within the same period and on the same terms and conditions as those prescribed by regulation, if the aircraft or locomotive is used in the course of his business.

Interpreta-
tion

For the purposes of the first paragraph, the expressions “gasoline” and “coloured fuel oil” have the meaning assigned by the Fuel Tax Act (R.S.Q., chapter T-1).”

(2) This section applies from 1 January 1991.

c. I-1,
s. 20.9,
replaced

23. (1) Section 20.9 of the said Act is replaced by the following section:

Reimburse-
ment of tax

“20.9 A person is entitled to the reimbursement of the tax paid by him in respect of an amount reimbursed to him under the Excise Tax Act (Statutes of Canada).

Restriction

Notwithstanding the first paragraph, no person is entitled to the reimbursement of the tax paid by him in respect of an amount refunded or credited to him under Part VIII or IX of the Excise Tax Act (Statutes of Canada), unless the amount is an amount described in section 232 or 261 of the said Act.”

(2) This section applies in accordance with the provisions of section 58.

c. I-1,
s. 20.9.1,
am.

24. (1) Section 20.9.1 of the said Act is amended by replacing the first paragraph by the following paragraph:

Compensa-
tion

"20.9.1 Where a person has paid the tax in respect of moveable property used for the alteration, improvement, construction or repair of an immovable and another person obtains an amount under Parts VI and VII of the Excise Tax Act (Statutes of Canada) for the same property, the latter person is entitled to compensation in an amount equal to the tax paid in respect of the amount that is paid to him."

(2) This section applies in accordance with the provisions of section 58.

c. I-1,
ss. 20.9.2.1-
20.9.16,
added

25. (1) The said Act is amended by inserting, after section 20.9.2, the following:

Compensa-
tion

"20.9.2.1 Where a vendor, on the sale of a moveable property to which the tax provided for in Chapter II of this Act applies, accepts in full or partial consideration for the sale of the property a coupon that is not reimbursable to him and the purchase price of the property is not reduced in accordance with section 7.2, he is entitled to compensation in an amount equal to 8/108 of the value of the coupon accepted as full or partial consideration.

Deduction

The vendor may deduct the amount of the compensation from the amount he is required to remit to the Minister for the month under section 14.

Refund

The compensation is deemed to be a refund for the purposes of the Act respecting the Ministère du Revenu (R.S.Q., chapter M-31).

Coupon

The coupon referred to in the first paragraph is a coupon that may be exchanged for moveable property or that may entitle the purchaser of such property to a discount, but it does not include a gift certificate.

Purchase
of books

"20.9.2.2 Where a person has paid the tax provided for in section 6 at the time of purchase of a book, he is entitled to compensation in an amount equal to that tax.

Deduction

The vendor shall, at that time, pay to that person the amount of the compensation and he may deduct that amount from the amount he is required to remit to the Minister for the month under section 14.

Compensa-
tion

A person is also entitled to compensation in an amount equal to the tax paid by him under section 7 or 8 in respect of a book.

Repayment Such compensations are deemed to be repayments for the purposes of the Act respecting the Ministère du Revenu (R.S.Q., chapter M-31).

Types of books The book referred to in the first and third paragraphs is a printed book or its updating, identified by an International Standard Book Number (ISBN) issued in accordance with the international book numbering system, or a talking book or the carrier thereof, acquired by a person because of a visual handicap.

“CHAPTER II.1

“SPECIFIC TAXATION ON SALES OF ALCOHOLIC BEVERAGES

“DIVISION I

“SPECIFIC TAX

Tax on alcoholic beverages “**20.9.3** Every purchaser, at the time of making a purchase at a retail sale in Québec of any alcoholic beverage, shall pay a specific tax equal to 0.018 of a cent per millilitre of beer or 0.039 of a cent per millilitre of any other alcoholic beverage purchased by him.

Payment of tax “**20.9.4** Every person who carries on business or ordinarily resides in Québec and brings or causes to be brought into Québec any alcoholic beverage for use or consumption by himself or by another person at his expense, or purchases by way of a retail sale made outside Québec, an alcoholic beverage that is in Québec shall, on the date that the use or consumption of the alcoholic beverage begins in Québec, pay to the Minister a specific tax equal to 0.018 of a cent per millilitre of beer or 0.039 of a cent per millilitre of any other alcoholic beverage so brought in or purchased.

Payment of tax “**20.9.5** Every person who has purchased or produced an alcoholic beverage intended for sale or as a component of a moveable property intended for sale shall, on the date when he begins to use or consume the alcoholic beverage in Québec for any other purpose or arranges for it to be used or consumed in Québec at his expense by another person, pay to the Minister a specific tax equal to 0.018 of a cent per millilitre of beer or 0.039 of a cent per millilitre of any other alcoholic beverage so purchased or produced and so used or consumed by him or by the other person.

Beverages delivered outside Québec However, the first paragraph does not apply in respect of an alcoholic beverage produced in Québec if it is taken or shipped out of Québec for use or consumption as part of the carrying on of the person's undertaking.

Presumption Furthermore, where the person has paid the amount equal to the specific tax prescribed in Division IV in respect of the alcoholic beverage described in the first paragraph, that person is deemed to have paid the tax prescribed in the said paragraph in respect of that alcoholic beverage.

“DIVISION II

“EXEMPTIONS

Exemptions “**20.9.6** The specific tax provided for in this chapter does not apply to

(a) the sale of an alcoholic beverage for consumption on the premises, authorized by a permit issued under the Act respecting liquor permits (R.S.Q., chapter P-9.1);

(b) the sale of an alcoholic beverage authorized by a reunion permit issued under the Act respecting liquor permits (R.S.Q., chapter P-9.1) for consumption at the place indicated on it;

(c) the sale of an alcoholic beverage delivered outside Québec for use or consumption outside Québec;

(d) the sale of an alcoholic beverage intended as a component of a moveable property intended for sale;

(e) the sale of an alcoholic beverage containing not more than 1 % of alcohol by volume.

**Presump-
tions** For the purposes of subparagraph *c* of the first paragraph, the presumptions in respect of the delivery of goods outside Québec by a vendor, prescribed in the Regulation respecting the application of paragraph *r* of section 17 of the Retail Sales Tax Act (R.R.Q., 1981, chapter I-1, r.2) and in its present and future amendments apply to the sale of an alcoholic beverage described in that subparagraph.

Exemption “**20.9.7** The tax which a person is required to pay upon the use or consumption of an alcoholic beverage pursuant to section 20.9.4 or 20.9.5 does not apply to the extent of the exemption to which the person would be entitled under section 20.9.6, if the person purchased the alcoholic beverage in Québec at the time it began to be used or consumed and if he meets the conditions for the exemption.

"DIVISION III

"ADMINISTRATION

Collection of tax **"20.9.8** Every vendor shall, as agent of the Minister, collect the specific tax provided for in section 20.9.3 at the time of sale by him of any alcoholic beverage.

Calculation Whether the price is stipulated to be payable in cash, with a term, in instalments or in any other manner, the tax referred to in the first paragraph shall be collected by the vendor at the time of the sale and calculated on the total number of milliliters of alcoholic beverage forming the object of the contract.

Indication of amount of tax Every vendor who is required to collect the specific tax referred to in the first paragraph shall indicate to the purchaser, in the manner prescribed by regulation or on any invoice, receipt, writing or other document recording the sale, the amount of the tax separately from the sale price or so indicate to him that the price includes the tax.

Account to Minister **"20.9.9** Every vendor shall, on or before the fifteenth day of each month, render an account to the Minister, using the form prescribed by him, of the specific tax he has collected or should have collected during the preceding month and, at the same time, remit to him the amount of that tax.

Account He shall render an account even if no sale giving rise to such a tax was made during the month.

Exemption Notwithstanding the foregoing, a vendor is not required to render an account to the Minister, unless the latter demands it, or to remit to him the specific tax collected in respect of the sale of any alcoholic beverage he acquired from a collection officer holding a registration certificate, where he has paid to that officer the amount provided for in section 20.9.12 in respect of that alcoholic beverage.

Collected amount However, if the specific tax collected in respect of the alcoholic beverage is greater than the amount paid by the vendor under section 20.9.12 to a collection officer holding a registration certificate, the difference between the tax and the amount shall be remitted to the Minister according to the terms and conditions provided in the first paragraph.

Non-collection by vendor **"20.9.10** Where the specific tax provided for in section 20.9.3 has not been collected by the vendor, the purchaser shall, at the time of the sale, report that fact to the Minister, sending him the invoice, if any, with such information as the Minister may require and, at the same time, remit to him the specific tax payable.

Obligation Every person who is required to pay tax under section 20.9.4 or 20.9.5 is under the same obligation, and this obtains at the time specified in those sections.

“DIVISION IV

“ADVANCE COLLECTION

Collection officers “**20.9.11** Every person who sells an alcoholic beverage in Québec is a collection officer.

Exceptions Notwithstanding the first paragraph, the following persons, when carrying on such activities as mentioned below, are not collection officers:

(a) the vendor, when he makes a retail sale;

(b) the holder of a distiller’s permit or a wine maker’s permit issued under the Act respecting the Société des alcools du Québec (R.S.Q., chapter S-13), when he carries on activities authorized by such permit;

(c) the holder of a brewer’s permit, a warehouse permit or a cider maker’s permit issued under the Act respecting the Société des alcools du Québec (R.S.Q., chapter S-13), when he sells an alcoholic beverage

i. for purposes of blending, to a person holding an industrial permit issued under the said Act,

ii. for consumption on the premises, to a person holding a permit authorizing the sale of alcoholic beverages for consumption on the premises issued under the Act respecting liquor permits (R.S.Q., chapter P-9.1), when the alcoholic beverage is delivered in a container identified pursuant to section 12 of the Meals and Hotels Tax Act (R.S.Q., chapter T-3) or pursuant to section 31 of this Act, or

iii. to the Société des alcools du Québec;

(d) the holder of a small-scale production permit issued under the Act respecting the Société des alcools du Québec (R.S.Q., chapter S-13), when he makes a sale to the Société des alcools du Québec;

(e) the Société des alcools du Québec, when it sells an alcoholic beverage

i. to the holder of an industrial permit or a small-scale production permit issued under the Act respecting the Société des alcools du Québec (R.S.Q., chapter S-13), or

ii. for consumption on the premises, to a person holding a permit authorizing the sale of alcoholic beverages for consumption on the premises issued under the Act respecting liquor permits (R.S.Q., chapter P-9.1), when the alcoholic beverage is delivered in a container identified pursuant to section 12 of the Meals and Hotels Tax Act (R.S.Q., chapter T-3) or pursuant to section 31 of this Act.

Collection
of tax

"20.9.12 Every collection officer holding a registration certificate shall, as agent of the Minister, collect an amount equal to the specific tax provided for in section 20.9.3 in respect of beer or other alcoholic beverage, as the case may be, from every person to whom he sells an alcoholic beverage in Québec.

Exception

The requirement provided in the first paragraph does not apply to the sale of any alcoholic beverage that is delivered outside Québec.

Calculation

Whether the price be stipulated to be payable in cash, with a term, in instalments or in any other manner, the amount contemplated in the first paragraph shall be collected by the collection officer at the time of the sale and calculated on the total number of milliliters of alcoholic beverage forming the object of the contract.

Indication
of amount
of tax

Every person who is required to collect the amount provided for in the first paragraph shall indicate to the purchaser, in the manner prescribed by regulation or on any invoice, receipt, writing or other document recording the sale, that amount separately from the sale price or so indicate to him that the price includes that amount.

Account to
Minister

"20.9.13 Every collection officer holding a registration certificate shall, on or before the fifteenth day of each month, render an account to the Minister, using the form prescribed by him, of the amounts he has collected or should have collected under section 20.9.12 during the preceding month and remit the amounts to him at the same time.

Account

He shall render an account to the Minister even if no sale of alcoholic beverages was made during the month.

Exemption

Notwithstanding the foregoing, a collection officer holding a registration certificate is not required to render an account to the Minister, unless the latter demands it, or to remit to him the amount collected in respect of the sale of any alcoholic beverage he acquired from another collection officer holding a registration certificate, where he has paid to that other officer the amount provided for in section 20.9.12 in respect of the alcoholic beverage.

Collected
amount

However, if the amount collected in respect of the alcoholic beverage is greater than the amount he paid under section 20.9.12 to

a collection officer holding a registration certificate, the difference between the two amounts shall be remitted to the Minister according to the terms and conditions provided in the first paragraph.

Non-collection

“20.9.14 Every collection officer holding a registration certificate who fails to collect the amount provided for in section 20.9.12 or fails to remit to the Minister such an amount he has collected and is required to remit or remits the amount to a person who does not hold a registration certificate shall become a debtor of Her Majesty in right of Québec for that amount.

Validity of registration certificate

Every collection officer who does not hold a registration certificate in force at the time he sells an alcoholic beverage in Québec shall become a debtor of Her Majesty in right of Québec for any amount provided for in section 20.9.12 which he collected or should have collected if he had held such a certificate.

Interpretation

In such circumstances, the amounts referred to in the first and second paragraphs are deemed to be duties within the meaning of the Act respecting the Ministère du Revenu (R.S.Q., chapter M-31).

“DIVISION V

“MISCELLANEOUS PROVISIONS

Registration certificate

“20.9.15 No person may sell any alcoholic beverage in Québec to a collection officer or a vendor unless the collection officer or the vendor is the holder of a registration certificate provided for in section 3.

Restriction

“20.9.16 No collection officer or vendor may purchase any alcoholic beverage in Québec from a person other than the holder of a registration certificate provided for in section 3.”

(2) This section, where it enacts sections 20.9.2.1 and 20.9.2.2 of the Retail Sales Tax Act, applies in accordance with the provisions of section 58.

(3) Where this section enacts sections 20.9.3 to 20.9.16 of the said Act, except the third paragraph of section 20.9.8 and the fourth paragraph of section 20.9.12 which apply from 1 January 1991, it has effect from 27 April 1990. However, for the period extending from 27 April 1990 to 31 December 1990, references to “0.018” and “0.039” in sections 20.9.3 and 20.9.4 and in the first paragraph of section 20.9.5 shall read as references to “0.015” and “0.03”, respectively.

c. I-1,
s. 21, am.

26. (1) Section 21 of the said Act is amended

(1) by replacing subsection 1 by the following subsection:

Keeping of
accounts

"21. (1) The holder of a registration certificate or the person required to hold such a certificate shall keep account of the tax collected or, in the case of a collection officer, of the amount equal to the specific tax collected, and report and remit it to the Minister, in such form and manner as the Minister prescribes.";

(2) by adding, after subsection 4, the following subsection:

Inventory
of property

"(5) The Minister may require any holder of a registration certificate or any person required to hold such a certificate to forward to him, on the form prescribed by the Minister and within the period fixed by him, the inventory of all or certain moveable property intended for sale that is in his possession on such date as the Minister may determine."

(2) This section has effect from 27 April 1990.

c. I-1,
s. 23, am.

27. Section 23 of the said Act is amended

(1) by replacing paragraph *b* of subsection 1 by the following paragraph:

"(b) being an agent of the Minister, refuses or neglects to collect, account for, report or remit any amount of tax or the amount equal to the specific tax, the whole in accordance with this Act or the regulations,";

(2) 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, 20.9.2.2, 20.29, 20.31, 20.34 or 20.36, subsection 3 of section 21 or the regulations; or";

(3) by adding, after subsection 2, the following subsection:

Offence
and
penalty

"(3) Every person who contravenes section 20.9.15 or 20.9.16 commits an offence and is liable to a fine of not less than \$2 000 nor more than \$25 000."

c. I-1,
s. 31, am.

28. (1) Section 31 of the said Act, amended by section 19 of chapter 5 of the statutes of 1989, is again amended

(1) by striking out subparagraph *a* of the first paragraph;

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

Beverages
and
containers

"It may also, by regulation, order that a beverage of any such class as it may determine and intended for use or consumption in any establishment described in paragraph *r* of section 18.1 be in a container identified in the manner determined by it or of the size determined by it and that it be sold and delivered in that container. In addition, it may, by regulation, order that such containers be for the exclusive use of the establishment.";

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

Coming into
force

"Regulations made under this Act come into force on the date of their publication in the *Gazette officielle du Québec* or on any later date fixed therein; they may also, once published and if they so provide, apply from a date prior to their publication but not prior to 30 August 1990.";

(4) by striking out the third paragraph.

(2) Paragraph 1 of subsection 1 applies in accordance with the provisions of section 58.

(3) Paragraph 2 of subsection 1 applies in respect of beverages sold after 31 December 1990. It also applies in respect of beverages sold before 1 January 1991 if, under section 58, the tax provided for in Chapter II of the Retail Sales Tax Act (R.S.Q., chapter I-1) applies in respect of the sale of such beverages.

(4) Paragraphs 3 and 4 of subsection 1 apply in respect of regulations made after the coming into force of this Act.

c. I-2,
s. 2, am.

29. (1) Section 2 of the Tobacco Tax Act (R.S.Q., chapter I-2), amended by section 8 of chapter 7 of the statutes of 1990, is again amended by replacing paragraph 12 by the following paragraph:

"sale price"
or "purchase
price"

"(12) "sale price" or "purchase price" means a price in money, also the value of services rendered or other considerations or prestations accepted by the vendor as price or value of the thing given, including an amount equal to the tax that would be paid or payable under Part IX of the Excise Tax Act (Statutes of Canada) if that tax were calculated only on the preceding elements of the sale price or purchase price, determined without reference to the input tax credit provided for in that Part that would relate to the thing covered by the contract of sale;"

(2) This section applies from 1 January 1991.

c. 1-2,
s. 7.1,
added

30. (1) The said Act is amended by inserting, after section 7, the following section:

Inventory
of tobacco
products

“7.1 The Minister may require any vendor to report to him, on the form prescribed by the Minister and within the period fixed by him, an inventory of all or certain tobacco products that are in his possession on such date as the Minister may determine.”

(2) This section has effect from 27 April 1990.

c. 1-2,
s. 8, am.

31. (1) Section 8 of the said Act, amended by section 9 of chapter 7 of the statutes of 1990, is again amended

(1) by replacing subparagraphs *a* to *d* of the first paragraph by the following subparagraphs:

“(a) \$0.0476 per cigarette;

“(b) \$0.0205 per gram of loose tobacco;

“(c) 71 % of the retail sales price of each cigar;

“(d) \$0.0672 per gram of any tobacco other than cigarettes, loose tobacco or cigars.”;

(2) by striking out the second paragraph;

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

Consumer
tax

“Notwithstanding the first paragraph, where a retail sale of tobacco is made in the period commencing 27 April 1990 and ending 31 December 1990, the tax provided in the said paragraph is equal to

(a) \$0.0552 per cigarette;

(b) \$0.025 per gram of loose tobacco;

(c) 75 % of the retail sales price of each cigar;

(d) \$0.0747 per gram of any tobacco other than cigarettes, loose tobacco or cigars.”

(2) Paragraphs 1 and 3 of subsection 1 have effect from 27 April 1990.

(3) Paragraph 2 of subsection 1 applies in respect of tobacco sold after 26 April 1990.

c. 1-2,
s. 18,
replaced

32. (1) Section 18 of the said Act is 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 June 1990 to January 1991, to 14.689 % of the tax collected under this Act during the preceding month.

Amount

For the month of May 1990, the amount shall be equal to 17.536 % of the tax collected under this Act during the month of April 1990.

Amount

For each month from the month of February 1991, the amount shall be equal to 17.065 % of the tax collected under this Act during the preceding month.”

(2) This section has effect from 27 April 1990.

c. L-3,
s. 45,
repealed

33. (1) Section 45 of the Licenses Act (R.S.Q., chapter L-3) is repealed.

(2) This section applies in respect of race meetings held after 26 April 1990.

c. L-3,
s. 46, am.

34. (1) Section 46 of the said Act, amended by section 248 of chapter 5 of the statutes of 1989, is again amended by replacing what precedes subparagraph *a* of the first paragraph by the following:

Payment
of tax

“46. Every person who, in Québec, makes a bet under a *pari mutuel* system, at a horse race held at a race track in or outside Québec shall, on placing his bet, pay to the Minister of Revenue a tax equal to the amount obtained by multiplying the amount of the placed bet before any deduction prescribed or permitted by any other Act by the following rate:”.

(2) This section applies in respect of bets placed after 31 December 1990.

c. L-3,
s. 46.3,
added

35. (1) The said Act is amended by inserting, before section 47, the following section:

Collection
of tax

“46.3 Every person or association who or which, during a race card, receives amounts that are placed as bets under a *pari mutuel* system shall, at that time, collect the tax provided for in section 46 in such manner as the Minister of Revenue specifies.

Mandatory

The person or association then acts as a mandatory of the Minister of Revenue. He or it shall remit daily to the Minister the tax collected and, at the same time, submit a report to him in such manner as the latter specifies.

Obligations of mandatory **As a mandatory, the person or association is subject to the same obligations and sanctions as an agent under the Retail Sales Tax Act (R.S.Q., chapter I-1)."**

(2) This section applies in respect of bets placed after 31 December 1990.

c. L-3, ss. 47, 48, 49, 59 and 61, repealed **36.** (1) Sections 47, 48, 49, 59 and 61 of the said Act are repealed.

(2) This section applies in respect of bets placed after 31 December 1990.

c. L-3, s. 66, repealed **37.** (1) Section 66 of the said Act is repealed.

(2) This section applies in respect of bets placed after 31 December 1990.

c. L-3, s. 79.10, am. **38.** (1) Section 79.10 of the said Act, amended by section 218 of chapter 7 of the statutes of 1990, is again amended

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

"retailer" **"(a) "retailer" means a holder of a permit authorizing the sale of alcoholic beverages for consumption on the premises, issued under the Act respecting liquor permits (R.S.Q., chapter P-9.1) or a reunion permit authorizing the sale of alcoholic beverages for consumption at the place indicated thereon, issued under the said Act;"**

(2) by striking out paragraphs *c* and *d*;

(3) by adding, after paragraph *d*, the following paragraph:

"alcoholic beverage" **"(e) "alcoholic beverage" means any alcoholic beverage containing more than 1 % of alcohol by volume."**

(2) Paragraph 1 of subsection 1 applies from 1 January 1991.

(3) Paragraphs 2 and 3 of subsection 1 apply in respect of alcoholic beverages acquired or made and sold by a retailer after 31 December 1990.

c. L-3, s. 79.11, replaced **39.** (1) Section 79.11 of the said Act, amended by section 219 of chapter 7 of the statutes of 1990, is replaced by the following section:

Licence **"79.11 No person may be a retailer in Québec without obtaining a licence to that effect involving the following duties:**

(a) a duty of \$10;

(b) as regards every millilitre of beer he acquires, a specific duty of 0.018 of a cent and a duty equal to 8 % of the aggregate of the specific duty, the sale price paid, or that would be payable if the beer were purchased, and an amount equal to the tax that would be paid or payable under Part IX of the Excise Tax Act (Statutes of Canada) if that tax were calculated only on the aggregate of the sales price and the specific duty, determined without reference to the input tax credit provided for in that Part that would relate to that beer;

(c) as regards every millilitre of beer he makes and disposes of for consumption in his establishment, a specific duty of 0.018 of a cent and a duty equal to 8 % of the aggregate of the specific duty, the average sale price, determined by regulation, in force at the time of the disposition, and an amount equal to the tax that would be paid or payable under Part IX of the Excise Tax Act (Statutes of Canada) if that tax were calculated only on the aggregate of the sales price and the specific duty, determined without reference to the input tax credit provided for in that Part that would relate to that beer;

(d) as regards every millilitre of any alcoholic beverage he acquires, except beer, a specific duty of 0.039 of a cent and a duty equal to 8 % of the aggregate of the specific duty, the sale price paid, or that would be payable if the alcoholic beverage were purchased, and an amount equal to the tax that would be paid or payable under Part IX of the Excise Tax Act (Statutes of Canada) if that tax were calculated only on the aggregate of the sales price and the specific duty, determined without reference to the input tax credit provided for in that Part that would relate to that alcoholic beverage;

(e) as regards every millilitre of any alcoholic beverage he makes and disposes of for consumption in his establishment, except beer, a specific duty of 0.039 of a cent and a duty equal to 8 % of the aggregate of the specific duty, the average sale price, determined by regulation, in force at the time of the disposition, and an amount equal to the tax that would be paid, or that would be payable under Part IX of the Excise Tax Act (Statutes of Canada) if that tax were calculated only on the aggregate of the sales price and the specific duty, determined without reference to the input tax credit provided for in that Part that would relate to that alcoholic beverage.”

(2) This section has effect from 27 April 1990. However, for the period commencing on 27 April 1990 and ending on 31 December 1990,

(1) paragraphs *b* to *e* of section 79.11 of the Licenses Act, enacted by this section, shall read as follows:

“(b) as regards any beer he acquires,

i. a specific duty equal to 0.015 of a cent per millilitre, and

ii. a duty equal to 9 % of the aggregate of the specific duty provided for in subparagraph i and the average retail sales price per litre in force at that time, determined in conformity with the Retail Sales Tax Act (R.S.Q., chapter I-1);

“(c) as regards any beer he makes and sells for consumption in his establishment,

i. a specific duty equal to 0.015 of a cent per millilitre, and

ii. a duty equal to 9 % of the aggregate of the specific duty provided for in subparagraph i and the average retail sales price per litre in force at the time of the sale, determined in conformity with the Retail Sales Tax Act (R.S.Q., chapter I-1);

“(d) as regards any alcoholic beverage he acquires, except beer,

i. a specific duty equal to 0.03 of a cent per millilitre, and

ii. a duty equal to 9 % of the aggregate of the specific duty provided for in subparagraph i and the sale price in force at that time at the supplier's;

“(e) as regards any alcoholic beverage he makes and sells for consumption in his establishment, except beer,

i. a specific duty equal to 0.03 of a cent per millilitre, and

ii. a duty equal to 9 % of the aggregate of the specific duty provided for in subparagraph i and the average sale price determined by regulation, in force at the time of the sale.” ;

(2) the said section 79.11 shall read by adding the following paragraphs:

Rate of
duty

“Notwithstanding the first paragraph, the rate provided in subparagraph ii of each of subparagraphs b to e of the said paragraph is fixed at 13.4 % in respect of any alcoholic beverage acquired or made to be served under a tavern permit issued under the Act respecting liquor permits (R.S.Q., chapter P-9.1).

Exception

Furthermore, the duties provided for in subparagraph ii of each of subparagraphs d and e of the first paragraph do not apply in respect of cider or blueberry-based alcoholic beverages.”

c. L-3,
s. 79.11.1,
replaced **40.** (1) Section 79.11.1 of the said Act is replaced by the following section:

Restriction **"79.11.1** The duties provided for in paragraphs *b* and *d* of section 79.11 are not applicable to alcoholic beverages acquired to be blended with alcoholic beverages made by a retailer who is the holder of a small-scale production permit issued under the Act respecting the Société des alcools du Québec (R.S.Q., chapter S-13)."

(2) This section applies from 1 January 1991.

c. L-3,
s. 79.12,
repealed **41.** (1) Section 79.12 of the said Act is repealed.

(2) This section applies from 1 January 1991.

c. L-3,
s. 79.14,
replaced **42.** (1) Section 79.14 of the said Act is replaced by the following section:

Duty **"79.14** The duty of \$10 provided for in paragraph *a* of section 79.11 must be paid to the Minister of Revenue upon the application for a licence.

Payment The duties provided for in paragraphs *b* and *d* of the said section must be paid by the retailer to the supplier, directly or through the authorized agent of the latter, each time the retailer acquires alcoholic beverages.

Time limit The duties provided for in paragraphs *c* and *e* of the said section must be paid monthly to the Minister, not later than the fifteenth day of the month immediately following the month in which the retailer disposed of an alcoholic beverage for consumption on the premises, and the retailer must submit a report even if no duty is payable for that month."

(2) This section applies from 1 January 1991.

c. L-3,
s. 79.15,
am. **43.** (1) Section 79.15 of the said Act is amended by replacing the first paragraph by the following paragraph:

Collection of duties **"79.15** A supplier who disposes of an alcoholic beverage shall, at that time, collect the duties provided for in paragraphs *b* and *d* of section 79.11 unless it is a beverage contemplated in section 79.11.1."

(2) This section applies from 1 January 1991.

c. L-3,
s. 79.15.1,
added **44.** (1) The said Act is amended by inserting, after section 79.15, the following section:

Reimburse-
ment

"79.15.1 No retailer is entitled to any reimbursement of the duties paid by him in respect of an amount that is refunded or credited to him under Part VIII or IX of the Excise Tax Act (Statutes of Canada), unless the amount is an amount described in section 232 or 261 of the said Act."

(2) This section applies from 1 January 1991.

c. L-3,
s. 79.17,
replaced

45. Section 79.17 of the said Act is replaced by the following section:

Offence
and
penalty

"79.17 A retailer who acquires, within the scope of his operations under his retailer's licence, alcoholic beverages from a person other than a supplier or his authorized agent is guilty of an offence and is liable, in addition to the payment of the duties and any other penalty provided for by this Act, to a fine of not less than \$300 nor more than \$2 000 and, for any subsequent offence, of not less than \$1 000 nor more than \$5 000; in the latter case, the court may, in addition to the fine and costs, condemn the offender to imprisonment for a maximum of three months."

c. M-31,
s. 2, am.

46. Section 2 of the Act respecting the Ministère du Revenu (R.S.Q., chapter M-31) is amended by replacing the second paragraph by the following paragraph:

Fiscal
laws and
regulations

"He also has charge of the application of the fiscal laws, the regulations made under such laws and, to the extent specified in an agreement entered into under section 9.0.1, any Act of the Parliament of Canada or any regulation made under such an Act and mentioned in the agreement."

c. M-31,
ss. 9.0.1-
9.0.3, added

47. The said Act is amended by inserting, after section 9, the following sections:

Agreements
with
Government
of Canada

"9.0.1 The Minister may, with the authorization of the Government, enter into any agreement with the Government of Canada entrusting to him the administration and application, in whole or in part, of any Act of the Parliament of Canada imposing duties or any regulation made under such an Act.

Agreements
with
Government
of Canada

"9.0.2 The Minister may, with the authorization of the Government, enter into an agreement with the Government of Canada relating to the payment, collection and remittance, by the Gouvernement du Québec or any public body designated by it, of tax provided for in any Act of the Parliament of Canada and for which it would be accountable if such an Act were applicable to it.

Public
bodies
affected by
agreements

“9.0.3 Notwithstanding any prohibition or restriction provided for in an Act, any public body affected by an agreement under section 9.0.2 is bound to pay, collect and remit tax provided for in any Act of the Parliament of Canada and for which it would be accountable if such an Act were applicable to it.

Payment
of tax

The public body referred to in the first paragraph shall discharge the tax in accordance with the terms and conditions of the agreement.”

c. T-1,
s. 2, am.

48. (1) Section 2 of the Fuel Tax Act (R.S.Q., chapter T-1) is amended

(1) by replacing subparagraphs *a* to *c* of the first paragraph by the following subparagraphs:

“(a) \$0.10 per litre for gasoline;

“(b) \$0.086 per litre for fuel oil;

“(c) \$0.054 per litre for propane gas.”;

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

Aircrafts
and
locomotives

“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 \$0.03 per litre.”

(2) Paragraph 1 of subsection 1 applies from 1 January 1991.

(3) Paragraph 2 of subsection 1 has effect from 27 April 1990.

c. T-1,
s. 14.1,
added

49. (1) The said Act is amended by inserting, after section 14, the following section:

Inventory
of fuels

“14.1 The Minister may require any wholesale dealer or retail dealer to report to him, on the form prescribed by the Minister and within the period fixed by him, an inventory of all or certain fuels that are in his possession on such date as the Minister may determine.”

(2) This section applies from 1 January 1991.

c. T-2,
s. 1, am.

50. (1) Section 1 of the Broadcast Advertising Tax Act (R.S.Q., chapter T-2) is amended by replacing the definition of the expression “price of air-time” by the following definition:

“price of
air-time”

““price of air-time” means the total amount payable for the broadcast of an advertisement, including the tax paid or payable under Part IX of the Excise Tax Act (Statutes of Canada), determined without reference to the input tax credit provided for in that Part;”.

(2) This section applies from 1 January 1991.

c. T-2,
s. 2, am.

51. (1) Section 2 of the said Act is amended by replacing the third paragraph by the following paragraph:

Fraction
of a cent

“Any fraction of a cent of such tax, if equal to or greater than one-half of a cent, shall be counted as one cent.”

(2) This section applies from 1 January 1991.

c. T-2,
s. 4, am.

52. (1) Section 4 of the said Act is amended by replacing the second paragraph by the following paragraph:

Tax
included
in price

“The vendor of the air-time shall indicate to the purchaser, in the manner prescribed by regulation or on the invoice, receipt, writing or other document recording the sale, that the price of air-time includes the tax or so indicate to him the amount of the tax separately from the price of air-time, in which case he may indicate a total amount consisting of both that tax and the tax provided for in Part IX of the Excise Tax Act (Statutes of Canada). Where the vendor indicates the rate of the tax to the purchaser, he shall do so separately from the rate of any other tax.”

(2) This section applies from 1 January 1991.

c. T-2,
s. 8.1,
added

53. (1) The said Act is amended by inserting, after section 8, the following section:

Reimburse-
ment
of tax

“**8.1** No person is entitled to any reimbursement of the tax paid by him in respect of an amount that is refunded or credited to him under Part IX of the Excise Tax Act (Statutes of Canada), unless the amount is an amount described in section 232 or 261 of the said Act.”

(2) This section applies from 1 January 1991.

c. T-3,
repealed

54. (1) The Meals and Hotels Tax Act (R.S.Q., chapter T-3) is repealed.

(2) This section applies in respect of beverages or meals sold after 31 December 1990. It also applies in respect of beverages or meals sold before 1 January 1991 if, pursuant to section 58, the tax provided for in Chapter II of the Retail Sales Tax Act (R.S.Q., chapter I-1) applies in respect of the sale of such property.

c. T-4,
s. 4, am.

55. (1) Section 4 of the Telecommunications Tax Act (R.S.Q., chapter T-4) is amended by replacing the first paragraph by the following paragraph:

Tax **“4.** A tax of 8 % is imposed on the price of every telecommunication sent or received by a user, and on the rent due or paid by a user. Such price or rent includes the tax paid or payable under Part IX of the Excise Tax Act (Statutes of Canada), determined without reference to the input tax credit provided for in that Part.”

(2) This section applies in respect of telecommunications sent or received after 31 December 1990 and in respect of rents attributable to any period after 31 December 1990.

c. T-4,
s. 5, am. **56.** (1) Section 5 of the said Act is amended by replacing the third and fourth paragraphs by the following paragraphs:

Tax
included
in price **“The operator shall indicate to the user, in the manner prescribed by regulation or on the invoice, receipt, writing or other document recording the price of the telecommunication or the rent, that the price or rent includes the tax or so indicate to him the tax separately from the price or rent, in which case he may indicate a total amount consisting of both that tax and the tax provided for in Part IX of the Excise Tax Act (Statutes of Canada). Where the operator indicates the rate of the tax to the user, he shall do so separately from the rate of any other tax.**

Fraction
of a cent Any fraction of a cent of such tax, if equal to or greater than one-half of a cent, shall be counted as one cent.”

(2) This section applies from 1 January 1991.

c. T-4,
s. 8.1,
added **57.** (1) The said Act is amended by inserting, after section 8, the following section:

Reimburse-
ment
of tax **“8.1** No person is entitled to any reimbursement of the tax paid by him in respect of an amount that is refunded or credited to him under Part IX of the Excise Tax Act (Statutes of Canada), unless the amount is an amount described in section 232 or 261 of the said Act.”

(2) This section applies from 1 January 1991.

Application
of c. I-1,
s. 2 **58.** (1) Section 2 of the Retail Sales Tax Act (R.S.Q., chapter I-1) applies to this section, unless the context indicates otherwise.

Exigibility
of sale
price (2) For the purposes of this section, all or part of the sale price of moveable property is deemed to become due on the earliest of the following days:

(a) the earlier of the day the vendor first issues an invoice for all or part of the sale price and the date of that invoice,

(b) the day the vendor would, but for an undue delay, have issued an invoice for all or part of the sale price, and

(c) the day the purchaser is required to pay all or part of the sale price to the vendor pursuant to a contract in writing.

Sales by
way of
lease or
licence

(3) Notwithstanding subsection 2, the sale price, or part thereof, in respect of the sale of moveable property by way of lease, licence or similar arrangement under a contract in writing is deemed, for the purposes of this section, to become due on the day the purchaser is required to pay that price or part to the vendor pursuant to the contract.

Provisions
applicable

(4) Subject to subsections 5 to 11, sections 1, 4, 6 to 8, 10, 11, 15 to 17, 19 to 21, 23 to 25, 28 and 54 apply in respect of

(a) sales of moveable property all of the sale price of which becomes due after 31 December 1990 and is not paid before 1 January 1991,

(b) sales of moveable property part of the sale price of which becomes due after 31 December 1990 and is not paid before 1 January 1991; however, no tax provided for in Chapter II of the Retail Sales Tax Act (R.S.Q., chapter I-1) is payable, other than by reason of this section, in respect of any part of the sale price that becomes due or is paid before 1 January 1991,

(c) the bringing of moveable property into Québec after 31 December 1990 or the retail sale, outside Québec after 31 December 1990, of moveable property that is in Québec,

(d) the change in the use of a moveable property occurring after 31 December 1990.

Sales of
tangible
personal
property

(5) Sections 1, 4, 6 to 8, 10, 11, 15 to 17, 19 to 21, 23 to 25, 28 and 54 do not apply in respect of sales, other than by way of lease, licence or similar arrangement, of tangible personal property the sale price of which is paid or becomes due before 1 May 1991 where, as the case may be,

(a) the moveable property is delivered to the purchaser before 1 January 1991,

(b) the ownership of the moveable property is transferred to the purchaser before 1 January 1991.

Subscrip-
tions for
newspapers

(6) The tax provided for in Chapter II of the Retail Sales Tax Act (R.S.Q., chapter I-1) does not apply in respect of sales of a

subscription for newspapers, magazines or other publications published periodically, the sale price of which is paid before 1 January 1991.

Sales of
tangible
personal
property

(7) Subject to subsection 6, in the case of sales, other than by way of lease, licence or similar arrangement, of tangible personal property that is not delivered to the purchaser before 1 January 1991 and the ownership of which is not transferred to him before 1 January 1991, and the sale price of which becomes due, or is paid although it has not become due, after 31 August 1990 and before 1 January 1991, the sale price is deemed to become due on 1 January 1991 and not to have been paid before that date.

Sales by
way of
lease or
licence

(8) The sale price in respect of sales of moveable property in Québec by way of lease, licence or similar arrangement that becomes due after 31 August 1990 and before 1 January 1991 or that is paid after 31 August 1990 and before 1 January 1991 although it has not become due is deemed, to the extent that it is a rent, royalty or similar payment attributable to a period after 31 December 1990, to become due on 1 January 1991 and not to have been paid before that date.

Provisions
not
applicable

(9) Sections 1, 4, 6 to 8, 10, 11, 15 to 17, 19 to 21, 23 to 25, 28 and 54 do not apply to the sale price in respect of sales of moveable property by way of lease, licence or similar arrangement that becomes due before 1 May 1991 or that is paid before 1 May 1991 although it has not become due, to the extent that it is a rent, royalty or similar payment attributable to a period before 1 January 1991.

Capital
property

(10) Sections 1, 4, 6 to 8, 10, 11, 15 to 17, 19 to 21, 23 to 25, 28 and 54 do not apply in respect of the sale by way of lease of tangible personal property that is capital property of the lessor where it is made to a lessee under a contract in writing entered into before 30 August 1990.

Interpreta-
tion

The expression "capital property" means property that is capital property, within the meaning of the Taxation Act (R.S.Q., chapter I-3), of a person, or that would be so if the person were a taxpayer under that Act, but does not include property listed in class 12 or 14 of Schedule B to the Regulation respecting taxation (R.R.Q., 1981, chapter I-3, r.1) and the amendments thereto up to 29 August 1990.

Renewal of
contract

(11) Where a contract in writing is renewed after 29 August 1990 or is altered after 29 August 1990 to alter the term of the contract or the property affected by the contract, the contract is deemed, for the purposes of subsection 10, to have been entered into after that date.

Payment
of tax

(12) Notwithstanding section 6 of the Retail Sales Tax Act (R.S.Q., chapter I-1), where the sale of moveable property, other than

by way of lease, licence or similar arrangement, that becomes taxable pursuant to paragraph *a* or *b* of subsection 4 is made before 1 January 1991, the tax provided for in the said section is payable, at the rate of 8 %, on the earlier of the day on which all or part of the sale price of the moveable property is paid and the day on which that price becomes due, and, for the purposes of the Retail Sales Tax Act, that time is deemed to be the day of the sale.

Payment
and
collection
of tax

(13) Notwithstanding section 6 of the Retail Sales Tax Act (R.S.Q., chapter I-1), where the sale of moveable property, by way of lease, licence or similar arrangement, that becomes taxable pursuant to paragraph *a* or *b* of subsection 4 by reason of subsection 8 is made before 1 January 1991, the tax provided for in the said section is payable, at the rate of 8 %, on 1 January 1991 and shall be collected at that time.

Transfer of
employees

59. Notwithstanding any inconsistent provision of the Public Service Act (R.S.Q., chapter F-3.1.1), employees of the Government of Canada appointed to implement the goods and services tax provided for by the Excise Tax Act (Statutes of Canada) who agree to the offer of employment made in writing by the Minister of Revenue for the purposes of his administration of the tax shall become employees of the Government and public servants within the meaning of the Public Service Act from the date of their integration and, for that purpose, the Conseil du trésor may, with the authorization of the Government, determine rules, standards and policies relating to the classification, the determination of the rate of pay, the permanent tenure or any other conditions of employment applicable to those public servants.

Retirement
plans

60. The Government may, upon the integration with the public service of employees of the Government of Canada appointed to implement the goods and services tax provided for by the Excise Tax Act (Statutes of Canada), enter into any agreement with the Government of Canada in respect of the retirement plans.

Validity of
authoriza-
tions

61. Any authorization given by the Government for the conclusion of an agreement relating to any matter referred to in sections 9.0.2 and 9.0.3 of the Act respecting the Ministère du Revenu before the coming into force of the said sections, is deemed to have been given validly from the date it was actually given.

Sums
required

62. The moneys required for the implementation of the reform of consumption taxes and the administration by the Minister of Revenue of the goods and services tax provided for by the Excise Tax Act (Statutes of Canada) shall be paid out of the consolidated revenue

fund, to the extent determined by the Government, for the fiscal periods 1990-91 and 1991-92.

Coming into
force

63. The provisions of this Act will come into force on the date or dates fixed by the Government.