

No. 46

4th Session, 14th Legislature, Alberta
10 Elizabeth II

BILL 46

A Bill to amend The Alberta Income Tax Act

HON. MR. HINMAN

Explanatory Note

2. Section 2, subsection (1), clauses (a), (n) and (ad) presently read:

- “(a) “agreeing province” means a province that has entered into a collection agreement with the Government of Canada for the collection of tax under its income tax statute, unless the context otherwise requires by reason of the fact that the collection agreement entered into with a province provides only for the collection by Canada of individual income tax;
.....
- (n) “Financial Administration Act” means the Financial Administration Act, being chapter 116 of the Revised Statutes of Canada, 1952, as amended from time to time;
- (ad) “taxation year” means
 - (i) in the case of a corporation, a fiscal period, and
 - (ii) in the case of an individual, a calendar year, and when a taxation year is referred to by reference to a calendar year the reference is to the taxation year or years coinciding with, or ending in, that year.”.

BILL

No. 46 of 1962

An Act to amend The Alberta Income Tax Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Alberta, enacts as follows:

(Assented to _____, 1962)

1. *The Alberta Income Tax Act*, being chapter 1 of the Statutes of Alberta, 1961 (Second Session), is hereby amended.

2. Section 2 is amended

(a) as to subsection (1)

(i) by striking out clause (a) and by substituting the following:

(a) "agreeing province" means a province that has entered into an agreement with the Government of Canada under which the Government of Canada will collect taxes payable under that province's income tax statute and will make payments to that province in respect of the taxes so collected;

(ii) by striking out clause (n),

(iii) by striking out clause (ad) and by substituting the following:

(ad) "taxation year" means

(i) in the case of a corporation, a fiscal period,

(ii) in the case of an individual, a calendar year, and

(iii) in the case of an estate or trust arising on death, notwithstanding subclause (ii), a taxation year as defined in paragraph (a) of subsection (13) of section 63 of the federal Act.

and when a taxation year is referred to by reference to a calendar year, the reference is to the taxation year or years coinciding with, or ending in, that year;

(ae) "member of the Canadian Forces" means a member as defined for the purposes of Part XXIII of the federal regulations.

3. Section 3, subsection (1) presently reads:

- "3. (1) An income tax shall be paid as hereinafter required for each of the 1962 to 1966 taxation years, inclusive, by every individual
- (a) who was resident in Alberta on the last day of the taxation year, or
 - (b) who, not being resident in Alberta on the last day of the taxation year, had income earned in the taxation year in Alberta as defined in clause (b) of subsection (4) of section 4."

4. Section 4, subsection (3) and subsection (4), clause (a) presently read:

"(3) For the purposes of this section the percentage of the tax payable under the federal Act to be used for computing the tax payable under this section is sixteen per cent.

(4) In this section,

- (a) "tax payable under the federal Act" means the amount of tax payable under Part I of the federal Act, other than under regulations made pursuant to section 66 thereof, for the taxation year in respect of which that expression is being applied, minus any amount included in computing that amount by virtue of subsection (3) of section 10 of the Old Age Security Act, plus any amount deducted in computing that amount by virtue of sections 33 and 41 of the federal Act;"

- (b) by striking out subsection (2) and by substituting the following:

(2) The expression "last day of the taxation year" shall, in the case of an individual who resided in Canada at any time in the taxation year but ceased to reside in Canada before the last day thereof, be deemed to be a reference to the last day in the taxation year on which he resided in Canada.

- 3.** Section 3 is amended by striking out subsection (1) and by substituting the following:

3. (1) An income tax shall be paid as hereinafter required for each of the 1962 to 1966 taxation years, inclusive, by every individual, other than an individual to whom subsection (1*a*) applies,

- (a) who has resided in Alberta on the last day of the taxation year, or
 (b) who, not being resident in Alberta on the last day of the taxation year, had income earned in the taxation year in Alberta as defined in clause (b) of subsection (4) of section 4.

(1*a*) An income tax shall be paid as hereinafter required for each of the 1962 to 1966 taxation years, inclusive, by every individual who, during the taxation year, was a member of the Canadian Forces to whom section 6 applies.

- 4.** (1) Section 4 is amended

- (a) as to subsection (3) by striking out the word "sixteen" and by substituting the word "seventeen",
 (b) as to subsection (4)
 (i) by striking out clause (a) and by substituting the following:
 (a) "tax payable under the federal Act" means the amount of tax payable under Part I of the federal Act for the taxation year in respect of which that expression is being applied, minus any amount included in computing that amount by virtue of subsection (3) of section 10 of the Old Age Security Act, plus any amount deducted in computing that amount by virtue of sections 33 and 41 of the federal Act;
 (ii) by adding the following new clause immediately after clause (d):
 (e) "individual" does not include an individual who was a member of the Canadian Forces during a taxation year to whom section 6 applies.

(2) Clause (a) of subsection (1) is applicable only to the 1963 taxation year.

5. Section 6 presently reads:

"6. (1) Every individual who is liable to tax in accordance with regulations made pursuant to section 66 of the federal Act shall, in accordance with regulations prescribed by the Lieutenant Governor in Council, pay a tax for each taxation month in the five year period commencing on the first day of January, 1962, if he was resident in Alberta on the first day of that taxation month.

(2) The tax payable for a taxation month by an individual to whom subsection (1) applies shall be computed in accordance with tables to be prescribed on the basis of the rates set out in section 4.

(3) Except as provided in regulations prescribed pursuant to subsection (1), the tax payable by an individual under this section shall be in lieu of tax otherwise payable under this Act.

(4) For the purposes of subsection (1) an individual shall be deemed to be resident in Alberta on the first day of a taxation month where, for the purposes of Part XXIII of the federal regulations, he is deemed to be resident in Alberta on that day.

(6) In this section "taxation month" means a taxation month as defined for the purposes of Part XXIII of the federal regulations."

6. Section 16 presently reads:

5. Section 6 is struck out and the following section is substituted:

6. (1) This section applies to an individual who, during a taxation year, was a member of the Canadian Forces and who,

- (a) on the first day of a taxation month in the taxation year, performed his normal duties as a member of the Canadian Forces, or would have performed his normal duties as a member of the Canadian Forces if he had not been on temporary duty or temporary attachment, at a place located within Alberta or on board a sea-going ship the home port of which is located within Alberta,
- (b) was resident in Alberta on the last day of the taxation year and had income earned in the taxation year from sources other than employment as a member of the Canadian Forces during that taxation year, or
- (c) not being a resident in Alberta on the last day of the taxation year, had income earned in the taxation year in Alberta from sources other than employment as a member of the Canadian Forces during that taxation year.

(2) In this section,

- (a) "income earned in the taxation year in Alberta from sources other than employment as a member of the Canadian Forces" has the same meaning as "income earned in the taxation year in Alberta" as defined in clause (b) of subsection (4) of section 4, except that in applying that definition in the case of a member of the Canadian Forces he shall be deemed to have had no income from employment as a member of the Canadian Forces in the taxation year and the amount of his income from sources other than his employment as a member of the Canadian Forces earned in that taxation year shall be computed with reference to the provisions of Part XXIII of the federal regulations, and
- (b) "taxation month" means a taxation month as defined for the purposes of Part XXIII of the federal regulations.

(3) The Lieutenant Governor in Council may by regulation provide for the determination of the amount of tax payable for a taxation year by an individual who was a member of the Canadian Forces during that taxation year to whom this section applies, based on rates applicable to other individuals under this Act, and may provide for the manner in which the tax so determined is to be paid.

6. Section 16 is struck out and the following section is substituted:

"16. Sections 52 and 53, paragraph (e) of subsection (13) of section 63 and paragraph (a) of subsection (2) of section 64 of the federal Act apply mutatis mutandis in respect of the payment of tax under this Act for a taxation year by a taxpayer subject to tax under this Act to whom those provisions apply in respect of tax payable under the federal Act for the same taxation year."

7. Section 50, subsection (2) presently reads:

"(2) Any payment or part thereof applied by the Minister in accordance with a collection agreement towards the tax payable by a taxpayer for a taxation year under this Act relieves the taxpayer of liability to pay that tax to the extent of the payment or part thereof so applied."

8. Section 51 presently reads:

"51. Where a collection agreement is entered into and an amount is remitted to the Minister under section 11 on account of the tax of an individual who is resident on the last day of the taxation year in another agreeing province, no action lies for recovery of such amount by that individual."

9. Section 52, subsection (1) presently reads:

"52. (1) Where a collection agreement is entered into, an individual resident in Alberta on the last day of the taxation year is relieved of liability to pay any tax payable by him under this Act for the taxation year to the extent of any amount deducted or withheld on account of his tax for that year under the income tax statute of another agreeing province."

10. Commencement of Act.

16. Sections 52 and 53, subsection (2) of section 63, paragraph (e) of subsection (13) of section 63 and paragraph (a) of subsection (2) of section 64 of the federal Act apply *mutatis mutandis* in respect of the payment of tax under this Act for a taxation year by a taxpayer subject to tax under this Act to whom the said provisions apply in respect of tax payable under the federal Act for the same taxation year.

7. Section 50 is amended by striking out subsection (2) and by substituting the following:

(2) Any payment or part thereof applied by the Minister in accordance with a collection agreement towards the tax payable by a taxpayer for a taxation year under this Act

(a) relieves the taxpayer of liability to pay such tax to the extent of the payment or part thereof so applied, and

(b) shall be deemed to have been applied in accordance with a direction made by the taxpayer.

8. Section 51 is struck out and the following section is substituted:

51. Where a collection agreement is entered into and an amount is remitted to the Minister under section 11 on account of the tax of an individual who is resident on the last day of the taxation year in another agreeing province,

(a) no action lies for recovery of such amount by that individual, and

(b) the amount may not be applied in discharge of any liability of that individual under this Act.

9. Section 52 is amended by striking out subsection (1) and by substituting the following:

52. (1) Where a collection agreement is entered into, an individual resident in Alberta on the last day of the taxation year is not required to remit any amount on account of tax payable by him under this Act for the taxation year to the extent of the amount deducted or withheld on account of his tax for that year under the income tax statute of another agreeing province.

10. This Act comes into force on the day upon which it is assented to.

No. 46

FOURTH SESSION

FOURTEENTH LEGISLATURE

10 ELIZABETH II

1962

BILL

An Act to amend The Alberta
Income Tax Act

Received and read the

First time

Second time

Third time

HON. MR. HINMAN
