

1972 BILL 111

~~Second~~ ^{First} Session, 17th Legislature, 21 Elizabeth II

THE LEGISLATIVE ASSEMBLY OF ALBERTA

BILL 111

The Alberta Income Tax Amendment Act, 1972 (No. 2)

THE PROVINCIAL TREASURER

First Reading

Second Reading

Third Reading

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THE ALBERTA INCOME TAX AMENDMENT ACT, 1972 (NO. 2)

(Assented to , 1972)

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

- 1. The Alberta Income Tax Act is hereby amended.*
- 2. Section 5, subsection (3), clause (a) is amended by striking out the words "10 per cent" and by substituting the words "11 per cent".*
- 3. This Act comes into force on the day upon which it is assented to and upon so coming into force shall be deemed to have been in force at all times on and after January 1, 1972 and shall apply to the 1972 and subsequent taxation years.*

Explanatory Notes

1. This Bill amends chapter 182 of the Revised Statutes of Alberta 1970.

2. The amendment corrects an error made in the enactment of this provision in The Alberta Income Tax Amendment Act, 1972 passed at the spring sitting.

Section 5(3)(a) presently reads:

(3) Where the income for a taxation year of a corporation that maintained a permanent establishment in Alberta at any time in the taxation year includes income described in section 126, subsection (1), paragraph (b), subparagraph (i) of the federal Act from sources in a country other than Canada (in this section referred to as 'foreign investment income') and where the corporation has claimed a deduction under section 126, subsection (1) of the federal Act in respect of the foreign investment income, the corporation may deduct from the tax for the year otherwise payable under this Act an amount equal to the lesser of

- (a) 10 per cent of the product of
 - (i) the foreign investment income of the corporation for the year from sources in the country, and
 - (ii) that proportion of the taxable income earned in the year by the corporation that is determined to have been earned in the year in Alberta in accordance with regulations made under section 124, subsection (4), paragraph (a) of the federal Act,

or