

1974 Bill 69

Third Session, 17th Legislature, 23 Elizabeth II

THE LEGISLATIVE ASSEMBLY OF ALBERTA

BILL 69

THE ALBERTA INCOME TAX AMENDMENT ACT, 1974

THE PROVINCIAL TREASURER

First Reading

Second Reading

Third Reading

Printed by L. S. WALL, Queen's Printer for the Province of Alberta, EDMONTON

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THE ALBERTA INCOME TAX AMENDMENT ACT, 1974

(Assented to _____, 1974)

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 8.3 is amended*
 - (a) *as to subsection (1)*
 - (i) *in clause (a) by striking out the words "homeowner education tax refund" and by substituting the words "homeowner refund",*
 - (ii) *in clause (c) by striking out subclause (ii) and by substituting the following subclause:*
 - (ii) *was resident in the normal residence of a taxpayer who claimed him as a dependant for that year in accordance with section 109 of the federal Act;*
 - (iii) *by striking out clause (e),*
 - (b) *by striking out subsection (3) and by substituting the following subsection:*
 - (3) *A renter assistance credit under this section shall be*
 - (a) *where the total rent paid by an individual during the taxation year is less than \$500,*
 - (i) *20 per cent of the rent paid,*
less
 - (ii) *one-half of 1 per cent of that individual's taxable income for that year;*
 - (b) *where total rent paid by an individual during the taxation year is \$500 or more,*
 - (i) *a basic credit of \$90 plus 2 per cent of the total rental payments up to a maximum total basic credit of \$200,*
less
 - (ii) *one-half of 1 per cent of that individual's taxable income for that year;*

Explanatory Notes

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

2. Section 8.3, subsection (1), clauses (a), (c) and (e) and subsections (3) and (13) presently read:

8.3 (1) This section does not apply to

- (a) an individual who has applied for or received a homeowner education tax refund or a senior citizen renter assistance grant under The Alberta Property Tax Reduction Act for the same taxation year;
- (c) an individual who
 - (i) has not attained the full age of 21 years on the last day of the taxation year, and
 - (ii) was claimed as a dependant for that year in accordance with section 109 of the federal Act;
- (e) a member of the Canadian Forces who has not resided in an eligible renter residence;

(3) A credit under this section shall be

- (a) 5 per cent of the rent paid by the individual during the taxation year, or
 - (b) the aggregate of \$100 and 2 per cent of the rent paid by the individual during the taxation year, less 1 per cent of his taxable income for that year, or
 - (c) \$100,
- whichever is the least.

(13) In this section, "eligible renter residence" has the same meaning as in The Alberta Property Tax Reduction Act.

This amendment changes the formula for the renter assistance credit and expands the group eligible to receive that credit. It also updates references as a result of The Alberta Property Tax Reduction Act amendments at the spring sitting of the Legislature.

- (c) notwithstanding clauses (a) and (b), not less than the lesser of \$50 or 20 per cent of the total rent paid by an individual during the taxation year
- (c) *as to subsection (12), clause (d) by striking out the words "homeowner education tax refunds" and by substituting the words "homeowner refunds",*
- (d) *by striking out subsection (13) and by substituting the following subsections:*
 - (13) In this section "eligible renter residence" means a residence in respect of which
 - (a) municipal taxes are levied, or
 - (b) a grant in lieu of municipal taxes is paid, or
 - (c) a mobile unit licence fee is imposed.
 - (14) In subsection (13) the terms "municipal taxes", "residence" and "mobile unit licence fee" have the same respective meanings as in *The Alberta Property Tax Reduction Act*.

3. Section 13 is amended by striking out subsection (1) and by substituting the following subsection:

- 13.** (1) Every individual whose chief source of income is farming or fishing shall pay to the Provincial Treasurer
- (a) on or before December 31 in each taxation year, two thirds of
 - (i) the amount estimated by him to be his tax payable under this Act for the year, or
 - (ii) his tax payable under this Act for the immediately preceding year,and
 - (b) on or before April 30 in the next year, the remainder of the tax as estimated under section 10.

4. Section 14 is amended

- (a) *by striking out subsection (1) and by substituting the following subsection:*

14. (1) Every individual, other than one to whom section 12, subsection (2) or section 13 applies, shall pay to the Provincial Treasurer

- (a) on or before March 31, June 30, September 30 and December 31, respectively, in each taxation year, an amount equal to one quarter of
 - (i) the amount estimated by him to be his tax payable under this Act for the year, or

3. Section 13, subsection (1) presently reads:

13. (1) Every individual whose chief source of income is farming or fishing shall pay to the Provincial Treasurer

- (a) on or before the thirty-first day of December in each taxation year, two-thirds of the tax as estimated by him at the rate for the year on his estimated tax payable under the federal Act for the year or on his tax payable under the federal Act for the immediately preceding year, and
- (b) on or before the thirtieth day of April in the next year, the remainder of the tax as estimated under section 10.

4. Section 14, subsections (1) and (3) presently read:

14. (1) Every individual other than one to whom section 12, subsection (2) or section 13 applies, shall pay to the Provincial Treasurer

- (a) on or before the thirty-first day of March, the thirtieth day of June, the thirtieth day of September and the thirty-first day of December, respectively, in each taxation year, an amount equal to one-quarter of the tax as estimated by him at the rate for the year on his estimated tax payable under the federal Act for the year or on his tax payable under the federal Act for the immediately preceding year, and
- (b) on or before the thirtieth day of April in the next year, the remainder of the tax as estimated under section 10.

(3) For the purposes of section 13 and this section, "tax payable under the federal Act" for a taxation year has the meaning given that expression in section 4, subsection (4), clause (e), whether that taxation year is before or after the coming into force of this Act.

- (ii) his tax payable under this Act for the immediately preceding year,
and
- (b) on or before April 30 in the next year, the remainder of the tax as estimated under section 10.

(b) by striking out subsection (3).

5. The following section is added after section 14:

14.1 Where no federal instalments are required by virtue of section 156.1 of the federal Act, the requirements for payment by instalments under sections 13 and 14 of this Act are not applicable and the individual shall pay to the Provincial Treasurer on or before April 30 in the year following the particular taxation year, his tax as estimated under section 10 for that taxation year.

6. Section 15 is amended by striking out subsection (1) and by substituting the following subsection:

15. (1) Every corporation shall, during the 15-month period ending three months after the close of each taxation year, pay to the Provincial Treasurer

(a) either

- (i) on or before the last day of each of the first 12 months in that period, an amount equal to one-twelfth of its tax payable for that year as estimated by it, or
- (ii) on or before the last day of each of the first two months in that period, an amount equal to one-twelfth of its tax payable under this Act for the second taxation year preceding the year, and on or before the last day of each of the next following ten months in that period, an amount equal to one-tenth of the amount remaining after deducting the amount computed pursuant to this subclause in respect of the first two months in the period from its tax payable under this Act for the immediately preceding year, or
- (iii) on or before the last day of each of the first 12 months in that period, an amount equal to one-twelfth of its tax payable under this Act for the immediately preceding year,

and

(b) on or before the last day of the period, the remainder of the tax as estimated under section 10.

7. 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, 1974 and shall apply to the 1974 and subsequent taxation years.

5. Waiver of instalments for individuals with nominal tax liabilities.

6. Section 15, subsection (1) presently reads:

15. (1) Every corporation shall, during the 15 months' period ending three months after the close of each taxation year, pay to the Provincial Treasurer

(a) either

(i) on or before the last day of each of the first 12 months in that period, an amount equal to one-twelfth of the tax as estimated by it at the rate for the taxation year on its estimated taxable income earned in the year in Alberta, or

(ii) on or before the last day of each of the first two months in that period, an amount equal to one-twelfth of the tax as estimated by it at the rate for the taxation year on its taxable income earned in the year in Alberta as determined for the second taxation year preceding the year, and on or before the last day of each of the next following 10 months in that period, an amount equal to one-tenth of the amount remaining after deducting the amount, computed pursuant to this subclause in respect of the first two months in the period from the tax as estimated by it at the rate for the taxation year on its taxable income earned in the year in Alberta as determined for the immediately preceding year, and

(b) on or before the last day of the period, the remainder of the tax as estimated under section 10.