

1977 BILL 65

Third Session, 18th Legislature, 26 Elizabeth II

THE LEGISLATIVE ASSEMBLY OF ALBERTA

BILL 65

**THE UTILITY COMPANIES
INCOME TAX REBATES ACT, 1977**

THE PROVINCIAL TREASURER

First Reading

Second Reading

Third Reading

BILL 65

1977

THE UTILITY COMPANIES INCOME TAX REBATES ACT, 1977

(Assented to _____, 1977)

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

1 In this Act,

(a) "federal tax rebate" means money paid to the Government of Canada by utility companies as income tax or estimated income tax payable under the *Income Tax Act* (Canada), as amended from time to time, for the 1966 or any subsequent taxation year and transferred to the Government of Alberta pursuant to the *Public Utilities Income Tax Transfer Act* (Canada) as amended from time to time;

(b) "Fund" means the Utility Companies Income Tax Rebates Fund;

(c) "provincial income tax" means money paid by utility companies as income tax or estimated income tax payable under *The Alberta Income Tax Act* for the 1966 or any subsequent taxation year;

(d) "utility company" means a corporation that

(i) carries on business in Alberta as a distributor and seller of electrical energy, gas or steam, and

(ii) is designated under the regulations as a utility company for the purposes of this Act.

2(1) There shall be established a fund to be known as the "Utility Companies Income Tax Rebates Fund".

(2) The Provincial Treasurer shall hold and administer the Fund and shall keep a separate accounting record of the Fund.

Explanatory Notes

1 General. This Bill will repeal and replace chapter 380 of the Revised Statutes of Alberta 1970.

The Bill is basically the same as the present Act except that the federal tax rebates and utility company provincial income tax will be paid into a special fund called the "Utility Companies Income Tax Rebates Fund". The Fund will enable the payment on a current basis of income tax rebates to utility companies for the benefit of their Alberta customers.

2 Establishment of the Fund.

3(1) As soon as practicable after the commencement of this Act, the Provincial Treasurer shall transfer from the General Revenue Fund to the Fund an amount equal to all money received or estimated to have been received by the Government of Alberta by way of federal tax rebates and provincial income tax prior to January 1, 1978 but not paid to the utility companies under *The Utility Companies Income Tax Rebates Act* prior to the commencement of this Act.

(2) There shall be paid into the Fund all money received by the Government of Alberta by way of federal tax rebates after January 1, 1978.

(3) As soon as practicable after the first day of each month, there shall be transferred from the General Revenue Fund to the Fund

(a) an amount equal to all money received or estimated to have been received by the Government of Alberta by way of provincial income tax in the previous month, or

(b) where regulations are made under section 5(e), the percentage of the amount referred to in clause (a) prescribed by those regulations.

(4) The income of the Fund accrues to and forms part of the Fund.

4(1) Subject to the regulations, the Provincial Treasurer may make payments from the Fund to utility companies for the benefit of the persons who are from time to time their customers in Alberta.

(2) Where the Provincial Treasurer makes any payment under subsection (1) to a utility company before the Government of Alberta receives the federal tax rebate and the provincial income tax, or either, in respect of that utility company, he may deduct interest charges prescribed by the regulations from any payment to that utility company under subsection (1).

5 The Lieutenant Governor in Council may make regulations

(a) designating the corporations that are utility companies for the purposes of this Act;

(b) prescribing the terms and conditions upon which payments may be made under section 4 to utility companies;

(c) prescribing any method or formula for the equitable distribution of money under section 4;

3 Transfers and payments into the Fund.

4 Payments from the Fund to utility companies for the benefit of their customers in Alberta.

5 Regulations.

(d) providing for any matter or procedure to ensure that the customers of the utility companies receive the benefit of the payments made under section 4;

(e) prescribing, for the purposes of section 3(3)(b), a percentage of the amount referred to in section 3(3)(a);

(f) defining any expression for the purposes of this Act;

(g) prescribing interest charges under section 4.

6 The Provincial Treasurer may advance from the General Revenue Fund to the Fund such sums as may be required for the purposes of this Act.

7 *The Financial Administration Act is amended as to the Schedule by adding to the list of Designated Funds of the Provincial Treasurer in section 1 the following:*

(a.4) Utility Companies Income Tax Rebates Fund.

8 *The Utility Companies Income Tax Rebates Act is repealed.*

9 This Act comes into force on January 1, 1978.

6 Advance from the General Revenue Fund.

7 Amends chapter 142 of the Revised Statutes of Alberta 1970 to make the Fund a Designated Fund of the Provincial Treasurer for the purposes of Part 2A dealing with Consolidated Cash Investment Trust Fund.

8 Repeals chapter 380 of the Revised Statutes of Alberta 1970.