

1978 BILL 233

Fourth Session, 18th Legislature, 27 Elizabeth II

THE LEGISLATIVE ASSEMBLY OF ALBERTA

BILL 233

AN ACT TO AMEND
THE CREDIT AND LOAN AGREEMENTS ACT

MR. MANDEVILLE

First Reading -----

Second Reading -----

Committee of the Whole -----

Third Reading -----

Royal Assent -----

Bill 233
Mr. Mandeville

BILL 233

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AN ACT TO AMEND THE CREDIT AND LOAN AGREEMENTS ACT

(Assented to _____, 1978)

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

1. *The Credit and Loan Agreements Act is amended by this Act.*

2. *Section 2(e.1) is repealed and the following is substituted:*

(e.1) "discounters" means a person, including an agent or broker who, acting in the course of business, acquires from a taxpayer the taxpayer's right to a refund which is due or will become due to the taxpayer;

3. *Section 15.6 is amended*

(a) *by repealing subsection (1) and substituting the following:*

(1) In this section and in section 15.7

(a) "refund" means the amount which an individual is entitled to receive

(i) as a result of an overpayment of the income tax paid by him or on his behalf under *The Income Tax Act* or *The Income Tax Act* (Canada) and interest on the overpayment, or

(ii) as a result of an overpayment of unemployment insurance premiums paid by him or on his behalf under *The Unemployment Insurance Act, 1971* (Canada), or

(iii) as a result of an overpayment of Canada Pension Plan contributions paid by him or on his behalf under *The Canada Pension Act* (Canada), or

(iv) as a renter's tax credit under *The Income Tax Act*, or

Explanatory Notes

- 1.** This Bill will Amend c. 73 of the Revised Statutes of Alberta, 1970.
- 2.** Amends section 2; definitions.
- 3.** Amends section 15.6; definitions.

- (v) as a grant or refund under any Provincial or Federal Act;
- (b) "Taxpayer" means an individual other than a discounter who has the right to receive a refund, and
- (b) *by repealing subsection (15) and substituting the following:*

(15) Before a discounter may acquire from a taxpayer the right to receive a refund which is due or will become due to the taxpayer, the discounter shall specify in writing to the taxpayer the terms of the acquisition including

- (a) the amount of the refund that the taxpayer believes is due or will become due to him,
- (b) the amount to be paid by the discounter for the refund which is due or will become due after deducting the amount charged for any service related to the acquisition of the refund or the right to the refund,
- (c) the difference between the amounts referred to in clauses (a) and (b), and
- (d) the annual percentage interest rate used to discount the income tax refund which is due or will become due, expressed in the manner prescribed by the regulations.

4. The following is added after section 15.6:

15.7 (1) No discounter shall acquire the right to receive a refund from a taxpayer unless the discounter pays the taxpayer an amount which is not less than 90% of the refund.

(2) Where a discounter receives an amount which exceeds the amount referred to in section 15.6(15)(a), the excess amount shall be remitted forthwith by the discounter to the taxpayer.

(3) Every discounter shall, by July 31 of each year, file with the Minister in the manner prescribed by the regulations

- (a) the name and address of each taxpayer whose refund was acquired,
- (b) the amount of the refund,
- (c) the amount that was paid to the taxpayer, and
- (d) the amount actually received by the discounter pursuant to the acquisition,

for the year ending the previous June 30.

5. Section 23 is amended

- (a) *by striking out and at the end of clause (e),*
- (b) *by adding and at the end of clause (f), and*
- (c) *by adding the following after clause (f):*
 - (g) the manner in which discounters shall file with the Minister the information specified in section 15.7(3).

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

4. Adds new section 15.7; discount limited.

5. Amends section 23; regulations.