

1981 BILL 254

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Third Session, 19th Legislature, 30 Elizabeth II

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THE LEGISLATIVE ASSEMBLY OF ALBERTA

# BILL 254

**AN ACT TO AMEND THE ALBERTA CORPORATE  
INCOME TAX ACT**

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MR. D. ANDERSON

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First Reading .....

Second Reading .....

Committee of the Whole .....

Third Reading .....

Royal Assent .....

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Bill 254  
Mr. D. Anderson

## BILL 254

1981

### AN ACT TO AMEND THE ALBERTA CORPORATE INCOME TAX ACT

(Assented to \_\_\_\_\_, 1981)

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

1 *The Alberta Corporate Income Tax Act is amended by this Act.*

2 *The following is added after section 18:*

**18.1(1)** In addition to the provisions of section 18, in computing  
taxable income a corporation may deduct

(a) any income that would have been payable received by  
way of interest by the corporation on a loan granted to an  
employee or employee's trust under an employee stock own-  
ership plan, if interest had been charged, at the rate of interest  
established for the purpose of this section by the regulations,  
less the income actually received by the corporation by way  
of interest on the loan, and

(b) the part specified in the regulations, of the net value of  
any shares transferred or sold to an employee or an em-  
ployee's trust under an employee stock ownership plan.

(2) In this section "employee stock ownership plan" means a  
plan conforming to the definition in the regulations.

3 *This Act comes into force on a date to be fixed by Proclamation.*

## **Explanatory Notes**

**1** This Bill will amend chapter 10, Statutes of Alberta, 1980.

**2** Authorizes deduction of interest foregone on employee share purchase plans and value of stock transferred to employees.

**3** Coming into force.