

1985 BILL 213

Third Session, 20th Legislature, 34 Elizabeth II

THE LEGISLATIVE ASSEMBLY OF ALBERTA

BILL 213

AN ACT TO AMEND THE ALBERTA INCOME TAX ACT

MR. GURNETT

First Reading

Second Reading

Committee of the Whole

Third Reading

Royal Assent

Bill 213
Mr. Gurnett

BILL 213

1985

AN ACT TO AMEND THE ALBERTA INCOME TAX ACT

(Assented to , 1985)

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 amended by this Act.

2 The following is added after section 14:

Farm Capital Gains Tax

14.1(1) In this section,

(a) "farm" means land, improvements or equipment used by a farmer for the purpose of farming, and

(b) "farmer" means a person whose principal source of income is farming, who is

(i) an individual or

(ii) a corporation or partnership, the directors, officers and shareholders, or partners, of which are all engaged to a substantial extent in the operation of the farm.

(2) Notwithstanding section 3(3) a farmer is not liable to pay an income tax under this Act in respect of a capital gain on a sale of all or any part of his farm where

(a) the farmer has actively farmed the farm, all or part of which has been sold, for 5 of the 8 years immediately preceding the sale;

Explanatory Notes

- 1** This Bill will amend chapter A-31 of the Revised Statutes of Alberta 1980.
- 2** Exempts farmer from provincial portion of capital gains tax in respect of sale of farm.

(b) the sale has been to a person who has undertaken, in the prescribed form, that the property sold will not be used for any purpose other than farming for the 3 years following the sale.

3 *This Act comes into force on Proclamation.*

3 Coming into force.