

1986 BILL 203

First Session, 21st Legislature, 35 Elizabeth II

THE LEGISLATIVE ASSEMBLY OF ALBERTA

BILL 203

**ALBERTA PERSONAL INCOME TAX
INCREASE REPEAL ACT**

MR. MARTIN

First Reading

Second Reading

Committee of the Whole

Third Reading

Royal Assent

Bill 203
Mr. Martin

BILL 203

1986

ALBERTA PERSONAL INCOME TAX INCREASE REPEAL ACT

(Assented to , 1986)

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 Section 3(3) is amended

*(a) in clause (e) by striking out “the 1984 and subsequent
taxation years.” and substituting “the 1984 and 1985 taxation
years;”;*

(b) by adding the following after clause (e):

*(f) 38.5% in respect of the 1986 and subsequent taxation
years.*

3 Section 11(7)(a) is amended

*(a) by striking out “or” where it occurs after subclause
(v);*

Explanatory Notes

1 This Bill will amend chapter A-31 of the Revised Statutes of Alberta 1980.

2 Will reduce the personal income tax rate from 1986 on. Section 3(3) presently reads as follows: .

(3) For the purposes of this section,, the percentage of the tax payable under the federal Act to be used for computing the tax payable under this section is

(a) 33% in respect of the 1970 and the 1971 taxation years;

(b) 36% in respect of the 1972, 1973 and 1974 taxation years;

(c) 26% in respect of the 1975 and 1976 taxation years;

(d) 38.5% in respect of the 1977, 1978, 1979, 1980, 1981, 1982 and 1983 taxation years;

(e) 43.5% in respect of the 1984 and subsequent taxation years.

3 Section 11(7) presently reads, in part:

(7) When there is tax otherwise payable under this Act by a taxpayer for a taxation year, the attributed Canadian royalty income carried forward to the immediately succeeding taxation year is

(b) in subclause (vi) by striking out “the 1984 and subsequent taxation years” and substituting “the 1984 and 1985 taxation years”;

(c) by adding the following after subclause (vi):

(vii) in the case of the 1986 and subsequent taxation years, the product of

(A) 38.5% of his basic federal tax, and

(B) the quotient obtained when his resource income in Alberta in the taxation year (as determined in accordance with Part XXVI of the federal regulations) is divided by his resource income for that year;

In accordance with section 4(1) of the Interpretation Act, this Bill comes into force on the date it receives Royal Assent.

- (a) in the case of an individual, the quotient obtained when
- (i) the amount, if any, by which the product determined for him for the year under subsection (2)(a) or subsection (3)(a) exceeds his tax otherwise payable under this Act for the year,

is divided by

- (vi) in the case of the 1984 and subsequent taxation years, the product of

(A) 43.5% of his basic federal tax, and

(B) the quotient obtained when his resource income earned in Alberta in the taxation year (as determined in accordance with Part XXVI of the federal regulations) is divided by his resource income for that taxation year;