

1991 BILL 44

Third Session, 22nd Legislature, 40 Elizabeth II

THE LEGISLATIVE ASSEMBLY OF ALBERTA

BILL 44

ALBERTA CORPORATE TAX AMENDMENT ACT, 1991

THE PROVINCIAL TREASURER

First Reading

Second Reading

Committee of the Whole

Third Reading

Royal Assent

BILL 44

1991

ALBERTA CORPORATE TAX AMENDMENT ACT, 1991

(Assented to _____, 1991)

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

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

2(1) Section 1 is amended

(a) in subsection (1)

- (i) by striking out "interpretations contained in" and substituting "provisions of";*
- (ii) by adding "terms" before "defined";*

(b) in subsection (2)

- (i) in clause (g.2) by striking out "Part 6, Division 1" and substituting "section 26.1";*
- (ii) by adding the following after clause (g.2):*
 - (g.3) "royalty tax credit gas supplement"*
means a tax credit to which a corporation
is entitled under section 26.2;

(2) Subsection (1)(b) is deemed to have come into force on January 1, 1991.

3(1) Section 8 is amended

- (a) in subsection (1) by striking out ", (2), (2.1) and (3)" and substituting "to (3)";*
- (b) by adding the following after subsection (2):*

Explanatory Notes

1 This Bill will amend chapter A-17 of the Revised Statutes of Alberta 1980.

2 Section 1 presently reads in part:

1(1) In this Act and in the application of the provisions of the federal Act and the regulations made under that Act that are by this Act made applicable, each of the interpretations contained in Part XVII of the federal Act apply for the purposes of this Act, except for those defined in subsection (2)(f), (g), (h) and (i) of this Act and the definition of "regulation" contained in subsection 248(1) of the federal Act.

(2) In this Act and in the application of the provisions of the federal Act and regulations made under that Act that are by this Act made applicable for the purposes of this Act,

(g.2) "royalty tax credit" means a tax credit to which a corporation is entitled under Part 6, Division 1;

3 Section 8(1) presently reads:

8(1) Subject to subsections (1.1), (2), (2.1) and (3), subdivision b of Division B of Part I of the federal Act applies in determining the income or loss of a corporation from a business or property for a taxation year.

(2.01) In the application of subsection 18(1) of the federal Act,

- (a) paragraph (a) shall be read as if "including but not limited to any tax payable under Part 1 of this Act, any tax payable under the federal Act, any tax similar to that imposed under Part 1 of this Act that is imposed by a province or any interest or penalties payable in respect of any of them" were added after "outlay or expense", and
- (b) paragraph (t) does not apply.

(2) *Subsection (1) applies to the 1989 and subsequent taxation years.*

4(1) Section 21 is amended

- (a) *in clause (c) by adding "and ending before April 1, 1991" after "March 31, 1987";*
- (b) *by striking out "or" at the end of clause (b) and by adding the following after clause (c):*

- (d) part of which is before April 1, 1991 and part of which is after March 31, 1991 is the aggregate of
 - (i) 15% of the proportion of the amount taxable in Alberta for the year that the number of days in the year before April 1, 1991 bears to the number of days in the year, and
 - (ii) 15.5% of the proportion of the amount taxable in Alberta for the year that the number of days in the year after March 31, 1991 bears to the number of days in the year,

or

- (e) beginning after March 31, 1991 is 15.5% of the amount taxable in Alberta for the year.

4 Section 21 presently reads:

21 Except where otherwise provided in this Part, the tax payable under this Act by a corporation that has a taxation year

(a) ending before April 1, 1987 is 11% of the amount taxable in Alberta for the year,

(b) part of which is before April 1, 1987 and part of which is after March 31, 1987 is the aggregate of

(i) 11% of the proportion of the amount taxable in Alberta for the year that the number of days in the year before April 1, 1987 bears to the number of days in the year, and

(ii) 15% of the proportion of the amount taxable in Alberta for the year that the number of days in the year after March 31, 1987 bears to the number of days in the year,

or

(c) beginning after March 31, 1987 is 15% of the amount taxable in Alberta for the year.

(2) Subsection (1) applies after March 31, 1991.

5(1) Section 22(2.1) is amended

(a) in clause (e) by adding “and ending before April 1, 1991” after “March 31, 1990”;

(b) by striking out “and” at the end of clause (d) and by adding the following after clause (e):

(f) for a taxation year part of which is before April 1, 1991 and part of which is after March 31, 1991 is the aggregate of

(i) the proportion of 9% that the number of days in the year before April 1, 1991 bears to the number of days in the year, and

(ii) the proportion of 9.5% that the number of days in the year after March 31, 1991 bears to the number of days in the year,

and

(g) for a taxation year beginning after March 31, 1991 is 9.5%.

(2) Subsection (1) applies after March 31, 1991.

6(1) Section 26 is amended

(a) in subsection (1)(c)

(i) by striking out “, licence, reservation or permit” and substituting “or licence”;

(ii) by adding “or is in respect of a royalty receivable by or payable to the Crown in right of Alberta pursuant to the Oil Sands Royalty Regulation, 1984 (Alta. Reg. 166/84) in respect of a

5 Section 22(2.1) presently reads:

(2.1) For the purposes of subsection (2), the applicable percentage

(a) for a taxation year ending before April 1, 1987 is 6%,

(b) for a taxation year, part of which is before April 1, 1987 and part of which is after March 31, 1987 is the aggregate of

(i) the proportion of 6% that the number of days in the year before April 1, 1987 bears to the number of days in the year, and

(ii) the proportion of 10% that the number of days in the year after March 31, 1987 bears to the number of days in the year,

(c) for a taxation year beginning after March 31, 1987 and ending before April 1, 1990 is 10%,

(d) for a taxation year part of which is before April 1, 1990 and part of which is after March 31, 1990 is the aggregate of

(i) the proportion of 10% that the number of days in the year before April 1, 1990 bears to the number of days in the year, and

(ii) the proportion of 9% that the number of days in the year after March 31, 1990 bears to the number of days in the year,

and

(e) for a taxation year beginning after March 31, 1990 is 9%.

6 Section 26 presently reads in part:

26(1) In this Division,

(c) "Alberta crown royalty" of a corporation for a taxation year means the aggregate of

(i) any amount required to be included in computing the corporation's income for the year by virtue of paragraph 12(1)(o) of the federal Act, and

(ii) any amount in respect of which no deduction is

prescribed lease” after “petroleum and natural gas rights”;

(b) *in subsection (1.94)(a) by striking out “or Canadian exploration expense” and substituting “, Canadian exploration expense or, if the agreement so provides, acquiring gas or oil well equipment as defined in subsection 1104(2) of the federal regulations”;*

(c) *by repealing subsection (1.94)(b) and substituting the following:*

(b) the farmor, at the time he disposes of the working interest in the well,

(i) reserves a gross overriding royalty in respect of production from the well, or

(ii) retains a working interest, a carried interest or a net profits interest in the well,

and

(d) *in subsection (1.94)(c) by striking out “gross overriding royalty” and substituting “royalty or interest referred to in clause (b)”.*

(2) *Subsection (1)(a)(ii) applies with respect to royalties receivable by or payable to the Crown in right of Alberta after May, 1984.*

(3) *Subsection (1)(b), (c) and (d) apply to dispositions made after August 24, 1982.*

7(1) *Section 26.1 is amended*

allowed in computing the corporation's income for the year by virtue of paragraph 18(1)(m) of the federal Act,

less any amount that

(iii) is a reimbursement received by the corporation under the terms of a contract if the reimbursement was for an amount paid or payable by the corporation that is

(A) required to be included in computing its income for the year by virtue of paragraph 12(1)(o) of the federal Act, or

(B) denied as a deduction in computing its income by virtue of paragraph 18(1)(m) of the federal Act

and each of which is or is in respect of a royalty receivable by or payable to the Crown in right of Alberta under a lease, licence, reservation or permit granting petroleum rights, natural gas rights or petroleum and natural gas rights;

(1.94) If, before a particular petroleum or natural gas well in Alberta is spudded, 2 persons enter into an agreement in respect of the well under the terms of which

(a) one person, in this subsection referred to as the "farmor", disposes of a working interest in the well to another person, in this subsection referred to as the "farmee", in consideration for the farmee's incurring Canadian development expense or Canadian exploration expense in respect of the well,

(b) the farmor reserves out a gross overriding royalty in respect of production from the well at the time the farmor disposes of the working interest in the well, and

(c) the farmor has an option to convert the gross overriding royalty into a working interest in the well which, if exercised, must be exercised within a stipulated number of days, not exceeding 60, of receiving written notification from the farmee to the effect that the farmee's cumulative net proceeds from production from the well is at least equal to its cumulative costs of drilling, equipping, completing and operating the well,

the disposition by the farmor described in clause (a) and any disposition by the farmee of a working interest in the well pursuant to the farmor's exercise of the option described in clause (c) are deemed not to be dispositions for the purposes of subsection (1)(h).

7 Section 26.1 presently reads in part:

- (a) *by repealing subsection (1);*
- (b) *by repealing subsection (14) and substituting the following:*

(14) A corporation is entitled to a royalty tax credit in respect of the taxation year only if it files an application for the credit in the prescribed form

- (a) with its return for that taxation year, or
- (b) on a day after the return has been filed,

but in any case no later than 3 years after the end of the taxation year.

(2) Subsection (1)(a) applies to taxation years ending after December 31, 1989.

8 *The following is added after section 26.1:*

26.2(1) In this section, “weighted supplemental rate” means the weighted supplemental rate determined in accordance with the regulations.

(2) This section applies to a corporation that has a taxation year that begins or ends in 1991 if the corporation is not associated with one or more corporations in the taxation year.

(3) This section applies to a corporation if the corporation is associated with one or more corporations in a taxation year and one of the associated corporations has a taxation year that begins or ends in 1991.

(4) Subject to subsections (10) and (11), a corporation that has Alberta crown royalty in a taxation year is entitled to a royalty tax credit gas supplement for the year in the amount calculated under subsection (5) or (6).

(5) If a corporation is not associated with one or more corporations in a taxation year, its royalty tax credit gas supplement for the taxation year is the amount obtained when the weighted supplemental rate is multiplied by that proportion of

- (a) the amount by which the lesser of
 - (i) its Alberta crown royalty for the year, and
 - (ii) its crown royalty shelter for the year

26.1(1) The Provincial Treasurer may make regulations respecting the determination of the weighted average rate for a taxation year of a corporation.

(14) A corporation is entitled to a royalty tax credit in respect of the taxation year only if it files an application for the credit in the prescribed form

(a) with its return for that taxation year, or

(b) on a day after the return has been filed, but no later than 3 years after the end of the taxation year.

8 Royalty tax credit gas supplement.

exceeds the aggregate of

- (b) the amount deemed by section 26.1(12) or (12.1) to be Alberta crown royalty of the corporation for the year from one or more partnerships whose fiscal periods ending in that taxation year commenced before January 1, 1990, and
- (c) the Alberta crown royalty of the corporation for the year attributable to the production of petroleum and natural gas liquids, other than any amounts included in clause (b)

that the number of days in the taxation year in 1991 is of the number of days in the taxation year.

(6) If a corporation is associated with one or more corporations in a taxation year, its royalty tax credit gas supplement for the taxation year is the product obtained when the aggregate royalty tax credit gas supplement is multiplied by the percentage of the aggregate royalty tax credit gas supplement that is allocated to the corporation under subsection (8) or (9).

(7) For the purposes of this section, the aggregate royalty tax credit gas supplement is the product obtained when the weighted supplemental rate for the associated corporations is multiplied by that proportion of

- (a) the amount by which the lesser of
 - (i) the aggregate of the Alberta crown royalty, and
 - (ii) the aggregate of the crown royalty shelters

of the associated corporations for the taxation year

exceeds the aggregate of

- (b) the aggregate of the amounts deemed by section 26.1(12) or (12.1) to be Alberta crown royalty of the associated corporations for the taxation year from one or more partnerships whose fiscal periods commenced before January 1, 1990, and
- (c) the aggregate Alberta crown royalty of the associated corporations for the taxation year attributable to the production of petroleum and

natural gas liquids, other than any amounts included in clause (b)

that the aggregate of the number of days in 1991 in each of the taxation years of the associated corporations is of the aggregate of the number of days in each of the taxation years of the associated corporations.

(8) If 2 or more corporations that are associated with each other file an agreement in the prescribed form with the Provincial Treasurer, for the purposes of subsection (6) the Provincial Treasurer shall allocate the percentage of the aggregate royalty tax credit gas supplement specified in the agreement to each corporation if the agreement

- (a) is among all of the corporations, and
- (b) specifies the percentage of the aggregate royalty tax credit gas supplement to be allocated to each corporation.

(9) If the corporations referred to in subsection (8) do not file an agreement in accordance with subsection (8) within 60 days after notice that an agreement under subsection (8) for a taxation year is required for the purposes of this Act is mailed to any of them by the Provincial Treasurer, the Provincial Treasurer shall allocate a percentage of the aggregate royalty tax credit gas supplement to one or more of the corporations and, for the purposes of subsection (6), the percentage allocated to each corporation for that taxation year is the percentage, if any, allocated by the Provincial Treasurer.

(10) If a corporation is not associated with any other corporation in the taxation year, the corporation is entitled to the royalty tax credit gas supplement determined under subsection (5) on the day on which it files an application for the credit in the prescribed form

- (a) with its return for that taxation year, or
- (b) on a day after the return has been filed,

but in any case no later than 3 years after the end of the taxation year.

(11) If a corporation is associated with one or more corporations in a taxation year, the corporation is entitled to the royalty tax credit gas supplement determined under subsection (6) on the day that is the later of

- (a) the day on which one of the associated corporations submits a calculation in respect of the aggregate royalty tax credit gas supplement in the prescribed form on a day that is not more than 3 years after the end of the corporation's taxation year, and
- (b) the day on which all of the associated corporations have filed their returns for the taxation year.

(12) A corporation is deemed to have paid on the day on which it becomes entitled to the royalty tax credit gas supplement in respect of a taxation year an amount on account of its liability under this Act for the year equal to the amount of the royalty tax credit gas supplement to which it is entitled.

(13) For the purposes of this section, section 26.1(7.1), (7.2), (9) and (10) apply as if references in those subsections to "royalty tax credit" were references to "royalty tax credit gas supplement".

9(1) Section 26.4(2) is repealed.

(2) Subsection (1) applies to instalments made in respect of months in 1990 and subsequent years.

10 Section 26.41 is amended

- (a) *by renumbering it as section 26.41(1);*
- (b) *in subsection (1) by adding "and royalty tax credit gas supplements" after "all royalty tax credits";*
- (c) *by adding the following after subsection (1):*

(2) The aggregate of all royalty credits and royalty credit gas supplements paid under Part 11 shall

- (a) be applied by the Provincial Treasurer to reduce non-renewable resource revenue, as defined in the *Alberta Heritage Savings Trust Fund Act*, and
- (b) be deducted from the total amounts used to determine the transfers required to be made to the Alberta Heritage Savings Trust Fund pursuant to section 5 of the

9 Section 26.4(2) presently reads:

(2) The Provincial Treasurer may make regulations respecting the determination of the moving average of the specified rates.

10 Section 26.41 presently reads:

26.41 The aggregate of all royalty tax credits paid under this Act shall

(a) be applied by the Provincial Treasurer to reduce non-renewable resource revenue, as defined in the Alberta Heritage Savings Trust Fund Act, and

(b) be deducted from the total amounts used to determine the transfers required to be made to the Alberta Heritage Savings Trust Fund pursuant to section 5 of the Alberta Heritage Savings Trust Fund Act or any Special Act referred to in that section and enacted before or after the commencement of this section, notwithstanding anything in those Acts.

Alberta Heritage Savings Trust Fund Act
or any Special Act referred to in that
section and enacted before or after the
commencement of this section,
notwithstanding anything in those Acts.

11 Section 38.1(1)(b) is amended by striking out “taxpayer shall pay” and substituting “corporation shall pay to the Provincial Treasurer”.

12 Section 43 is amended

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

43(0.1) For the purpose of subsections (1) and (2), the normal reassessment period in respect of a corporation for a taxation year is,

- (a) if at the end of the year the corporation is a Canadian-controlled private corporation, the period that ends 3 years after the date of mailing of a notice of an original assessment for the year under this Act or the date of mailing of a notification that no tax is payable for the year, or
- (b) in any other case, the period that ends 4 years after the date of mailing of a notice of an original assessment for the year under this Act or the date of mailing of a notification that no tax is payable for the year.

(1) Subject to subsection (2), the Provincial Treasurer

- (a) may, at any time, assess tax for a taxation year, interest or penalties payable under this Act by a corporation,
- (b) may, at any time, notify in writing any corporation that filed a return for a taxation year that no tax is payable for a taxation year,

11 Section 38.1(1)(b) presently reads:

38.1(1) If at any time the Provincial Treasurer determines that an amount has been refunded to a corporation for a taxation year in excess of the amount to which it was entitled as a refund,

(b) the taxpayer shall pay interest at the prescribed rate on the excess from the day it became payable to the day of payment.

12 Section 43(1) and (2) presently read:

43(1) The Provincial Treasurer may, at any time, assess tax, interest or penalties under this Act or notify in writing any corporation that filed a return for a taxation year that no tax is payable for a taxation year and may determine the entitlement to and the amount, if any, of a corporation's refundable tax credit, and may

(a) at any time, if the corporation filing the return

(i) has made a misrepresentation that is attributable to neglect, carelessness or wilful default or has committed any fraud in filing the return or in supplying any information under this Act, or

(ii) has filed with the Provincial Treasurer a waiver in the prescribed form within 3 years from the day of mailing of a notice of an original assessment or a notification that no tax is payable for a taxation year,

(b) within 6 years from the day referred to in clause (a)(ii), if

(i) an assessment or reassessment of the tax of the corporation was required pursuant to section 44 or would have been required if the corporation had claimed an amount by filing the prescribed form referred to in that section on or before the day referred to in that section,

(ii) there is reason, as a consequence of the assessment or reassessment of another corporation's tax pursuant to this clause or section 44, to assess or reassess the corporation's tax for any relevant year,

- (c) may, at any time, determine the corporation's entitlement to and the amount, if any, of a refundable tax credit, and
- (d) may reassess or make additional assessments of or assess tax, interest or penalties under this Act or determine the entitlement to and the amount, if any, of the refundable tax credits
 - (i) at any time if the corporation filing the return
 - (A) has made a misrepresentation that is attributable to neglect, carelessness or wilful default or has committed any fraud in filing the return or in supplying any information under this Act, or
 - (B) has filed with the Provincial Treasurer a waiver in the prescribed form within the normal reassessment period for the corporation in respect of the year,
 - (ii) within the period that ends 3 years after the expiration of the normal reassessment period for the corporation in respect of the year if
 - (A) an assessment or reassessment of the tax of the corporation was required pursuant to section 44 or would have been required if the corporation had claimed an amount by filing the prescribed form referred to in that

(iii) there is reason, as a consequence of a transaction involving the corporation and a non-resident person with whom it was not dealing at arm's length, to assess or reassess the corporation's tax for any relevant taxation year, or

(iv) there is reason, as a consequence of an additional payment or reimbursement of any income or profits tax to or by the government of a country other than Canada, to assess or reassess the corporation's tax for any relevant taxation year,

and

(c) in any case other than those described in clauses (a) and (b), within

(i) 3 years from the day referred to in clause (a)(ii), or

(ii) 12 months after

(A) an assessment, reassessment or additional assessment, or

(B) the confirmation of an assessment, reassessment or additional assessment

under the federal Act or a statute of a province of Canada that imposes a tax similar to the tax imposed under this Act,

reassess or make additional assessments, or assess tax, interest or penalties under this Act or determine the entitlement to and the amount, if any, of the refundable tax credits, as the circumstances require, except that a reassessment, additional assessment or assessment may be made under clause (b) after 3 years from the day referred to in clause (a)(ii) only to the extent that it may reasonably be regarded as relating to

(d) the assessment or reassessment referred to in clause (b)(i) or (ii),

(e) the transaction referred to in clause (b)(iii), or

(f) the additional payment or reimbursement referred to in clause (b)(iv).

(2) Notwithstanding subsection (1), there shall not be included in computing the income of a corporation for the purposes of any reassessment, additional assessment or assessment of tax, interest or penalties that is made after the expiration of the period referred to in subsection (1)(c) any amount that was not included

section on or before the date referred to in that section,

- (B) there is reason, as a consequence of the assessment or reassessment of another corporation's tax pursuant to this subclause or section 44, to assess or reassess the corporation's tax for any relevant year,
- (C) there is reason, as a consequence of a transaction involving the corporation and a non-resident person with whom it was not dealing at arm's length, to assess or reassess the corporation's tax for any relevant taxation year, or
- (D) there is reason, as a consequence of an additional payment or reimbursement of any income or profits tax to or by the government of a country other than Canada, to assess or reassess the corporation's tax for any relevant taxation year,

and

- (iii) within the normal reassessment period for the corporation in respect of the year in any other case,

except that a reassessment, additional assessment or assessment may be made under subclause (ii) after the normal reassessment period for the corporation in respect of the year only to the extent that it may reasonably be regarded as

in computing its income for the purposes of an assessment of tax made before the expiration of the period referred to in subsection (1)(c), and

(a) in respect of which the corporation establishes that the failure to include it did not result from a misrepresentation attributable to neglect, carelessness or wilful default or from fraud in filing a return of its income or in supplying information under this Act, and

(b) that the corporation establishes cannot be reasonably regarded as relating to a matter specified in a waiver filed by the corporation with the Provincial Treasurer in the form and within the time referred to in subsection (1) with respect to a taxation year to which the reassessment, additional assessment or assessment of tax, interest or penalties, as the case may be, relates.

relating to the assessment, reassessment, transaction, additional payment or reimbursement referred to in subclause (ii).

(1.1) Notwithstanding subsection (1), the Provincial Treasurer

- (a) may reassess, make additional assessments of or assess tax, interest or penalties under this Act,
- (b) may notify in writing any corporation that filed a return for a taxation year that no tax is payable for a taxation year, or
- (c) may determine the corporation's entitlement to and the amount, if any, of a refundable tax credit,

not more than 12 months after an assessment, reassessment or additional reassessment or the confirmation of an assessment, reassessment or additional reassessment under the federal Act or a statute of a province of Canada that imposes tax similar to the tax imposed under this Act.

(b) *in subsection (2) by striking out the portion preceding clause (a) and substituting the following:*

(2) There shall not be included in computing the income of a corporation for a taxation year for the purposes of any reassessment, additional assessment or assessment of tax, interest or penalties that is made after the expiration of the normal reassessment period or the period referred to in subsection (1.1) any amount that was not included in computing its income for the purposes of an assessment of tax made before the expiration of the normal reassessment period or the period referred to in subsection (1.1), and

13 *Section 47(2)(b) is repealed and the following is substituted:*

- (b) if the corporation makes an application in writing under circumstances in which section 43(1)(d)(ii) or (iii) or (1.1) applies within the periods referred to in section 43(1)(d)(ii) or (iii) or (1.1), as the case may be, shall, with all due dispatch, make the refund after mailing the notice of reassessment.

13 Section 47(2) presently reads:

(2) If the return required to be filed by a corporation under section 36 for a taxation year has been filed within 3 years from the end of that year, the Provincial Treasurer

(a) may, on or after mailing the notice of assessment for the taxation year, refund without application for the refund any overpayment for the year, and

14 Section 48(6) is repealed and the following is substituted:

(6) No reassessment made by the Provincial Treasurer pursuant to subsection (4)(b) is invalid by reason only of not having been made within the periods referred to in section 43(1)(d)(ii) or (iii) or (1.1), as the case may be, under circumstances in which section 43(1)(d)(ii) or (iii) or (1.1) applies.

15 Section 84(4) is amended by adding “application,” after “return,” wherever it occurs.

16 Section 92(2)(a) is repealed and the following is substituted:

(a) section 43 shall be read as if subsections (1)(d)(ii) and (1.1) of that section were struck out,

17 Section 105 is amended

(a) in subsection (2) by striking out “and (8)” and substituting “, (8) and (10)”;

(b) by repealing subsection (3)(a) and substituting the following:

(b) shall, with all due dispatch, make the refund after mailing the notice of assessment if application for the refund has been made in writing by the corporation within

(i) the 6 year period referred to in section 43(1)(b), where that clause applies, and

(ii) in any other case, either of the periods referred to in section 43(1)(c).

14 Section 48(6) presently reads:

(6) No reassessment made by the Provincial Treasurer pursuant to subsection (4)(b) is invalid by reason only of having been made more than 3 years after the day of mailing of a notice of an original assessment or of a notification that no tax is payable.

15 Section 84(4) presently reads:

(4) In a prosecution for an offence under this Act the production of a return, certificate, statement or answer required by or under this Act or a regulation purporting to have been filed or delivered by or on behalf of the person charged with the offence or to have been made or signed by him or on his behalf shall be admitted in evidence as prima facie proof that the return, certificate, statement or answer was filed or delivered by or on behalf of that person or was made or signed by him or on his behalf.

16 Section 92 presently reads in part:

(1.1) Subject to subsection (2), sections 1(2)(g) and (i), 1(3) and (4), 39(6), 41(1), 42, 43, 45, 46, 47(2) to (4) and (4.2) to (5), 48 to 72, 73 and 74 to 84 apply for the purposes of this Part.

(2) In the application to this Part of the sections referred to in subsection (1.1)

(a) section 43(1) shall be read as if clauses (b) and (c)(ii) of that section were struck out,

17 Section 105 presently reads in part:

(2) Subject to subsection (3), sections 1(1), 1(2)(c), (d), (e), (f), (g), (i), 1(3) and (4), 2(1) to (3) and (8), 39(6), 41(1), 42, 43, 45, 46, 47(2) to (4) and (4.2) to (5), 48 to 72 and 73 to 84 apply to this Part.

(3) In the application to this Part of the sections referred to in subsection (2),

- (a) section 43 shall be read as if subsections (1)(d)(ii) and (1.1) of that section were struck out,

18(1) The following is added after section 105:

PART 11

ALBERTA ROYALTY CREDIT FOR INDIVIDUALS

106(1) In this Part,

- (a) “Alberta crown royalty” of an individual for a taxation year means the aggregate of
- (i) any amount required to be included in computing the individual’s income for the year by virtue of paragraph 12(1)(o) of the federal Act, and
 - (ii) any amount in respect of which no deduction is allowed in computing the individual’s income for the year by virtue of paragraph 18(1)(m) of the federal Act,
- less any amount that
- (iii) is a reimbursement received by the individual under the terms of a contract if the reimbursement was for an amount paid or payable by the individual that is
 - (A) required to be included in computing his income for the year by virtue of paragraph 12(1)(o) of the federal Act, or
 - (B) denied as a deduction in computing his income by virtue of paragraph 18(1)(m) of the federal Act

and each of which is or is in respect of a royalty receivable by or payable to the Crown in right of Alberta under a lease or licence granting petroleum rights, natural gas rights or petroleum and natural gas rights or in respect of a royalty receivable by or payable to the Crown in right of Alberta pursuant to the *Oil Sands Royalty Regulation, 1984* (Alta. Reg. 166/84) in respect of a prescribed lease;

(a) section 43(1) shall be read as if clauses (b) and (c)(ii) of that subsection were struck out,

18 Royalty credit and royalty credit gas supplement for individuals.

- (b) “crown royalty shelter” for the taxation year is the lesser of
 - (i) \$2 500 000, and
 - (ii) that proportion of \$2 500 000 that the number of days in the taxation year bears to 365;
- (c) “individual” includes a trust or estate as defined in subsection 104(1) of the federal Act;
- (d) “royalty credit” means a royalty credit to which an individual is entitled under this Part;
- (e) “royalty credit gas supplement” means a royalty credit gas supplement to which an individual is entitled under this Part;
- (f) “taxation year” means,
 - (i) in the case of an estate or trust arising on death, a taxation year as defined in paragraph 104(23)(a) of the federal Act, and
 - (ii) in the case of an individual that is not an estate or trust arising on death, a calendar year;
- (g) “weighted average rate” means the weighted average rate determined in accordance with the regulations;
- (h) “weighted supplemental rate” means the weighted supplemental rate determined in accordance with the regulations.

(2) An individual shall not include in computing his Alberta crown royalty for a taxation year

- (a) any of the amounts described in subsection (1)(a) if those amounts are or are in respect of royalties receivable by or payable to the Crown in right of Alberta in respect of a restricted resource property described in section 26(1)(h)(i) or (ii), or
- (b) the restricted percentage determined under section 26(1.11) or (1.111), as the case may be, of any of the amounts described in subsection (1)(a) if

those amounts are or are in respect of royalties receivable by or payable to the Crown in right of Alberta in respect of a restricted resource property described in section 26(1)(h)(iii).

(3) If an individual is a member of a partnership, his share of the amount that would be Alberta crown royalty of that partnership if the partnership were an individual shall be deemed to be Alberta crown royalty of the individual.

(4) In computing the Alberta crown royalty of an individual, no amount shall be included that would, if included, artificially increase the Alberta crown royalty of that individual.

(5) If, in the opinion of the Provincial Treasurer, an individual and another individual or a corporation have at any time in a taxation year entered into one or more sales, exchanges, declarations of trust or other transactions that

- (a) lack any substantial business purpose, other than increasing the aggregate amount of the royalty credit or the royalty credit gas supplement that may be claimed, or
- (b) artificially increase the royalty credit or the royalty credit gas supplement that may be claimed,

the Provincial Treasurer may direct that the individual is not entitled to a royalty credit or a royalty credit gas supplement for the taxation year or subsequent taxation years.

(6) A direction made under subsection (5)

- (a) shall not apply to a taxation year of any individual prior to the taxation year for which the direction is made, and
- (b) may be revoked by the Provincial Treasurer and, if revoked, shall not apply to the taxation year for which the revocation occurs or to any subsequent taxation year.

107 This Part applies to an individual who has Alberta crown royalty in a taxation year.

108(1) Subject to section 110, an individual is entitled to a royalty credit for a taxation year in the amount obtained when the weighted average rate for that year is multiplied by the lesser of

- (a) his Alberta crown royalty for the year, and
- (b) his crown royalty shelter for the year.

(2) If an individual has a taxation year part of which is after December 31, 1994, the amount determined under subsection (1) for that taxation year shall be the proportion of the amount otherwise determined that the number of days preceding January 1, 1995 in the taxation year is to the number of days in the taxation year.

(3) This section does not apply to taxation years commencing after December 31, 1994.

109 Subject to section 110, an individual is entitled to a royalty credit gas supplement for a taxation year equal to the amount obtained when the weighted supplemental rate is multiplied by that proportion of

- (a) the amount by which the lesser of
 - (i) his Alberta crown royalty for the year, and
 - (ii) his crown royalty shelter for the yearexceeds
- (b) his Alberta crown royalty for the year attributable to the production of petroleum and natural gas liquids

that the number of days in the taxation year in 1991 is of the number of days in the taxation year.

110(1) An individual is entitled to a royalty credit or a royalty credit gas supplement in respect of a taxation year only if he files an application for the credit in the prescribed form within 3 years from the end of that taxation year.

(2) An individual becomes entitled to receive the amount of the royalty credit or royalty credit gas supplement on the date the application is filed under subsection (1) and is deemed to have paid that amount on account of any liability under this Act at that time.

111 Notwithstanding section 110, an individual to whom royalty credit instalments have been paid for a taxation year shall file an application for his royalty credit for the year in the prescribed form within 6 months from the end of the year.

112(1) In this section, “moving average of the specified rates” means the moving average of the specified rates determined in accordance with the regulations.

(2) An individual who has reason to believe he will be entitled to a royalty credit for a taxation year after 1991 may, in respect of each month in the year, apply to the Provincial Treasurer at any time before the end of the year in the prescribed form for payment of a royalty credit instalment.

(3) An individual’s royalty credit instalment for a month in a taxation year is the amount by which

- (a) the product obtained when the lesser of
 - (i) his estimated Alberta crown royalty for the year, and
 - (ii) his estimated crown royalty shelter for the year

is multiplied by

- (iii) the proportion that the number of days from the beginning of the taxation year to the last day of that month bears to the number of days in the taxation year, and
- (iv) the moving average of the specified rates determined in respect of that month,

exceeds

- (b) the aggregate of the royalty credit instalments in respect of previous months in the taxation year paid to the individual or applied to any liability he had under this Act.

(4) If an individual applies for a payment in respect of a month under this section, the Provincial Treasurer may determine the amount, if any, to be paid by the Provincial Treasurer and, on or after the last day of the month,

- (a) pay the amount to the individual, or
- (b) if the individual is liable to make a payment under this Act,
 - (i) apply the amount to reduce the liability, or

- (ii) pay part of the amount to the individual and apply the balance of the amount to reduce the liability,

and the amount or the part of the amount applied at a particular time to reduce the liability is deemed to be a payment to the individual that is paid by the individual at the particular time to the Provincial Treasurer on account of the liability.

113 An individual shall pay to the Provincial Treasurer, on or before the last day of the third month following the taxation year, the amount, if any, by which the aggregate of the amounts paid or applied by the Provincial Treasurer under section 112 for the year exceeds the royalty credit for the year to which the individual is entitled.

114(1) An individual who has failed to file an application as required under section 111 is liable to a penalty equal to the aggregate of

- (a) an amount equal to 5% of the excess, if any, by which
 - (i) the aggregate of amounts paid to or applied to the liability of the individual under section 112 for the year

exceeds

- (ii) the aggregate of the royalty credit to which the individual is entitled for the year and the amounts paid by the individual under section 113 for the year on or before the date on which the application was required to be filed,

and

- (b) the product obtained when 1% of the amount by which the excess determined under clause (a) is multiplied by the number of complete months, not exceeding 12, in the period from the date on which the application was required to be filed to the date on which the application was filed.

(2) If an individual is required to pay a penalty, he shall pay the penalty to the Provincial Treasurer, together with interest at the prescribed rate, computed from the date on or before which the individual's application under section 111 for a taxation year in

respect of which the penalty is payable was required to be filed to the date of payment.

115 If, at any time, the cumulative royalty credit instalments paid to an individual under section 112 in respect of a taxation year exceed the cumulative royalty credit instalments for the year to which he would be entitled at that time under section 112(3) if section 112(3) were read as if "estimated" were struck out in subclauses (a)(i) and (ii) of that subsection, the individual shall pay interest at the prescribed rate for the period during which the excess is outstanding.

116(1) If, at any time, the Provincial Treasurer determines that a royalty credit or royalty credit gas supplement has been paid to an individual for a taxation year in excess of the amount to which he was entitled,

- (a) the excess shall be deemed to be an amount that became payable by the individual on the date on which the amount was paid, and
- (b) the individual shall pay interest at the prescribed rate on the excess from the date it became payable to the date of payment.

(2) The Provincial Treasurer may, at any time, assess an individual in respect of an amount payable by the individual under subsection (1), and this Part applies in respect of an assessment made under this subsection as if it had been made under section 119.

117 If, at any time, interest on a royalty credit or royalty credit gas supplement has been paid to an individual or applied to his liability and it is determined at a subsequent time that the royalty credit or royalty credit gas supplement to which he was entitled was less than the amount on which interest was paid or applied, the following rules apply:

- (a) the amount by which the interest that has been paid or applied exceeds the interest, if any, computed in respect of the amount that is determined at the subsequent time to be the actual royalty credit or royalty credit gas supplement shall be deemed to be an amount, in this section referred to as "the amount payable", that became payable under this Part by the individual at the particular time;
- (b) the individual shall pay to the Provincial Treasurer interest at the prescribed rate on the

amount payable computed from the particular time to the date of payment;

- (c) the Provincial Treasurer may, at any time, assess the individual in respect of the amount payable and, if the Provincial Treasurer makes that assessment, this Act applies in respect of the assessment as if it had been made under section 119.

118(1) The Provincial Treasurer shall examine an application for a royalty credit or a royalty credit gas supplement for a taxation year and assess the interest and penalties payable and shall determine the amount of the royalty credit or royalty credit gas supplement, if any, to which the individual is entitled for the year.

(2) After an application is examined, the Provincial Treasurer shall send a notice of determination to the individual who filed the application.

119(1) The Provincial Treasurer, at any time, may assess interest or penalties under this Part or determine the entitlement to and the amount, if any, of an individual's royalty credit or royalty credit gas supplement.

(2) The Provincial Treasurer may reassess, make additional assessments of, or assess interest or penalties under this Part or redetermine the entitlement to and the amount, if any, of the royalty credit or royalty credit gas supplement

- (a) at any time, if the individual filing an application for a royalty credit or royalty credit gas supplement
 - (i) has made a misrepresentation that is attributable to neglect, carelessness or wilful default or has committed any fraud in filing the application or in supplying any information under this Act, or
 - (ii) has filed with the Provincial Treasurer a waiver in the prescribed form within 3 years from the day of mailing of a notice of an original determination for a taxation year,

or

- (b) in any other case within 3 years from the day referred to in clause (a)(ii).

(3) Notwithstanding that more than 3 years has passed since the date of mailing a notice of an original assessment of interest or penalties payable by an individual for a taxation year, or of a determination of the entitlement to a royalty credit or royalty credit gas supplement for the year, if a collection agreement is in effect under the *Alberta Income Tax Act* and the amounts referred to in section 106(1)(a) of this Act for the year are revised on a reassessment under the federal Act for the year, the Provincial Treasurer, within 12 months of the reassessment under the federal Act,

- (a) may reassess or make additional assessments of interest or penalties under this Part, or
- (b) may redetermine the amount of the royalty credit or royalty credit gas supplement, if any, to which the individual is entitled for the year.

(4) If the Provincial Treasurer would, but for this subsection, be entitled to reassess or make an additional assessment of interest or penalties or redetermine the entitlement to and the amount, if any, of an individual's royalty credit or royalty credit gas supplement by virtue only of the filing of a waiver under subsection (2)(a)(ii), the Provincial Treasurer may not make that reassessment, additional assessment, assessment or redetermination after the date that is 6 months after the date on which a notice of revocation of the waiver in the prescribed form is filed.

120(1) For the purposes of this section the "net royalty credit" of an individual for a taxation year is the amount, if any, by which his royalty credit and royalty credit gas supplement for the year exceed the aggregate of

- (a) the interest and penalties payable under this Part for the year, and
- (b) the royalty credit instalments paid to the individual for the year less the aggregate of amounts paid by the individual under section 113 for the year.

(2) If an application for a royalty credit or royalty credit gas supplement for a taxation year has been filed by an individual within 3 years from the end of that year, the Provincial Treasurer shall, on or after mailing a notice of determination for the year, refund to the individual his net royalty credit for the year.

(3) Instead of making a refund under this section, the Provincial Treasurer may, if the individual is liable or about to become liable to make a payment under this Act, apply the amount of the refund to that other liability and notify the individual of that action.

(4) If under this section an amount in respect of a taxation year is refunded to an individual or applied to another liability, the Provincial Treasurer shall pay or apply interest on the amount at the prescribed rate for the period beginning on the day that is the later of

- (a) the day on which the application for the royalty credit for the year is filed, and
- (b) the end of the 3rd month of the year following the taxation year.

121(1) Subject to subsection (2), sections 1 to 85 and Parts 9 and 10 do not apply for the purposes of this Part.

(2) Subject to subsection (3), sections 1(4), 48, 50 to 54, 55(1), 55(3) to (5), 56 to 70, 73, 74 to 79 and 81 to 84 apply to this Part.

(3) In the application to this Part of the sections referred to in subsection (2),

- (a) a reference to a corporation that is subject to this Act shall be read as a reference to an individual to which this Part applies,
- (b) a reference to an assessment or reassessment shall be read as a reference to an assessment, reassessment, determination or redetermination under this Part, and
- (c) a reference to a refundable tax credit shall be read as a reference to a royalty credit or a royalty credit gas supplement, as the case requires.

(2) Subsection (1) applies to the 1991 and subsequent taxation years.

19(1) The Alberta Income Tax Act is amended by repealing sections 12.1 and 12.2.

(2) Subsection (1) applies to the 1991 and subsequent taxation years.

19 Consequential amendments to the Alberta Income Tax Act.
Sections 12.1 and 12.2 of the Alberta Income Tax Act presently read:

12.1(1) In this section,

(a) "Alberta crown royalty" of an individual for a taxation year means the aggregate of

(i) any amount required to be included in computing the individual's income for the year by virtue of paragraph 12(1)(o) of the federal Act, and

(ii) any amount in respect of which no deduction is allowed in computing the individual's income for the year by virtue of paragraph 18(1)(m) of the federal Act,

less any amount that

(iii) is a reimbursement received by the individual under the terms of a contract if the reimbursement was for an amount paid or payable by the individual that is

(A) required to be included in computing his income by virtue of paragraph 12(1)(o) of the federal Act, or

(B) denied as a deduction in computing his income by virtue of paragraph 18(1)(m) of the federal Act

and each of which is or is in respect of a royalty receivable by or payable to the Crown in right of Alberta under a lease, licence, reservation or permit granting petroleum rights, natural gas rights or petroleum and natural gas rights;

(b) "weighted average rate" means the weighted average rate determined by the regulations.

(1.1) An individual shall not include in computing his Alberta crown royalty for a taxation year

(a) any of the amounts described in subsection (1)(a)(i) to (iii) where those amounts are or are in respect of royalties receivable by or payable to the Crown in right of Alberta,

(i) after August 31, 1982 in respect of a restricted resource property described in section 26(1)(h)(i) of the Alberta Corporate Tax Act, or

(ii) after March 31, 1986 in respect of a restricted resource property described in section 26(1)(h)(ii) of the Alberta Corporate Tax Act,

or

(b) the restricted percentage determined under section 26(1.11) or (1.111) of the Alberta Corporate Tax Act, as the case may be, of any of the amounts described in subsection (1)(a)(i) to (iii) where those amounts are or are in respect of

royalties receivable by or payable to the Crown in right of Alberta after March 31, 1986 in respect of a restricted resource property described in section 26(1)(h)(iii) of the Alberta Corporate Tax Act.

(2) An individual who has Alberta crown royalty in a taxation year is entitled to a royalty tax credit for the year in an amount equal to the lesser of

(a) the percentage specified in subsection (3) of his Alberta crown royalty for the year, and

(b) his maximum allowable credit for the year.

(3) The specified percentage of an individual's Alberta crown royalty for a taxation year is,

(a) for the 1982 and 1983 taxation years, 75%,

(b) for the 1984 and 1985 taxation years, 50%,

(c) for the 1987 taxation year, 95%,

(d) for the 1988 and 1989 taxation years, 75%, and

(e) for the 1990, 1991, 1992, 1993 and 1994 taxation years, the weighted average rate.

(4) An individual's maximum allowable credit for a taxation year is,

(a) for the 1982 and 1983 taxation years, the lesser of

(i) \$4 000 000, and

(ii) that proportion of \$4 000 000 that the number of days in the taxation year bears to 365,

(b) for the 1984 and 1985 taxation years, the lesser of

(i) \$2 000 000, and

(ii) that proportion of \$2 000 000 that the number of days in the taxation year bears to 365,

(c) for the 1987, 1988 and 1989 taxation years, the lesser of

(i) \$3 000 000, and

(ii) that proportion of \$3 000 000 that the number of days in the taxation year bears to 365, and

(d) for the 1990, 1991, 1992, 1993 and 1994 taxation years, the lesser of

(i) the product of \$2 500 000 and the weighted average rate, and

(ii) that proportion of the amount calculated under subclause (i) that the number of days in the taxation year bears to 365.

(4.1) Notwithstanding subsection (2), an individual who has Alberta crown royalty in the 1986 taxation year is entitled to a royalty tax credit for that taxation year in an amount equal to the lesser of

(a) the aggregate of 50% of the individual's Alberta crown royalty for the year and 45% of that portion of the individual's Alberta crown royalty that arose in the year from royalties receivable or payable after March 31, 1986, and

(b) the aggregate of

(i) the lesser of

(A) \$2 000 000, and

(B) that proportion of \$2 000 000 that the number of days in the year bears to 365, and

(ii) the lesser of

(A) \$1 000 000, and

(B) that proportion of \$1 000 000 that the number of days in the year after March 31, 1986 bears to 365.

(5) If an individual is a member of a partnership, his share of the amount that would be Alberta crown royalty of that partnership if the partnership were an individual shall be deemed to be Alberta crown royalty of the individual.

(6) Notwithstanding subsection (3), if an individual has Alberta crown royalty in a taxation year with respect to a business or partnership,

(a) in a 1982 taxation year, if the fiscal period of the business or partnership commenced before September 1, 1981, the specified percentage with respect to the portion of his Alberta crown royalty that arose from royalties that became receivable or payable by that business or partnership before September 1, 1981 shall be 25%,

(b) in a 1984 taxation year, if the fiscal period of the business or partnership commenced before 1984, the specified percentage with respect to the portion of his Alberta crown royalty that arose from royalties that became receivable or payable by that business or partnership before January 1, 1984 shall be 75%,

(c) in a 1987 taxation year, if the fiscal period of the business or partnership commenced in 1986, the specified percentage with respect to the portion of his Alberta crown royalty that arose from royalties that became receivable or payable by that business or partnership before April 1, 1986 shall be 50%,

(d) in a 1988 taxation year, if the fiscal period of the business or partnership commenced in 1987, the specified percentage with respect to the portion of his Alberta crown royalty that arose from royalties that became receivable or payable by that business or partnership before January 1, 1988 shall be 95%, and

(e) in a 1990 taxation year, if the fiscal period of the business or partnership commenced in 1989, the specified percentage with respect to the portion of his Alberta crown royalty that arose from royalties that became receivable or payable by that business or partnership before January 1, 1990 shall be 75%.

(7) If an individual has Alberta crown royalty in a taxation year with respect to a business or partnership, the amount determined under subsection (2)(a) with respect to the portion of his Alberta crown royalty that arose from royalties receivable or payable by that business or partnership in its fiscal period shall not exceed that proportion of,

(a) for the 1982 and 1983 taxation years, \$4 000 000,

(b) for the 1984 and 1985 taxation years, \$2 000 000,

(c) for the 1987, 1988 and 1989 taxation years, \$3 000 000, and

(d) for the 1990, 1991, 1992, 1993 and 1994 taxation years, the amount calculated under subsection (4)(d)

that the number of days in the fiscal period of the business or partnership, as the case may be, bears to 365.

(7.1) Notwithstanding subsection (7), if an individual has Alberta crown royalty in the 1986 taxation year with respect to a business or partnership, the amount determined under subsection (4.1)(a) with respect to the portion of his Alberta crown royalty that arose

from royalties receivable or payable by that business or partnership in its fiscal period shall not exceed the aggregate of

(a) the lesser of

(i) \$2 000 000, and

(ii) that proportion of \$2 000 000 that the number of days in the fiscal period of the business or partnership, as the case may be, bears to 365,

and

(b) the lesser of

(i) \$1 000 000, and

(ii) that proportion of \$1 000 000 that the number of days in the fiscal period of the business or partnership, as the case may be, after March 31, 1986 bears to 365.

(8) In computing the Alberta crown royalty of an individual, no amount shall be included that would, if included, artificially increase the Alberta crown royalty income of that individual.

(9) If, in the opinion of the Provincial Treasurer, an individual and another individual or a corporation have at any time in a taxation year entered into 1 or more sales, exchanges, declarations of trust or other transactions that

(a) lack any substantial business purpose, other than increasing the aggregate amount of the royalty tax credit that may be claimed, or

(b) artificially increase the royalty tax credit that may be claimed,

the Provincial Treasurer may direct that the individual is not entitled to a royalty tax credit for the taxation year or subsequent taxation years.

(10) A direction made under subsection (9)

(a) shall not apply to a taxation year of any individual prior to the taxation year for which the direction is made or to a taxation year commencing before January 1, 1982, and

(b) may be revoked by the Provincial Treasurer and, if revoked, shall not apply to the taxation year for which the revocation occurs or to any subsequent taxation year.

(11) If an individual is entitled to a royalty tax credit for a taxation year, the Provincial Treasurer

(a) may apply the amount of the credit as payment of any tax, interest, penalty or other amount otherwise owing by the individual for that or any preceding taxation year under this Act, the Canada Pension Plan, the Unemployment Insurance Act, 1971 (Canada), the income tax statute of an agreeing province or the federal Act, and

(b) if the amount of the credit exceeds any applications under clause (a), shall pay the amount of the excess to the individual from the taxes, interest and penalties collected under this Act.

(12) An individual is entitled to a royalty tax credit in respect of the taxation year only if he files an application for the credit in the prescribed form

(a) with his return for that taxation year, or

(b) after the return has been filed but not later than the earlier of

(i) the day that is 90 days after the date of mailing of a notice of assessment, reassessment, determination or redetermination, as the case may be, or

(ii) the day that is 3 years after the end of that taxation year.

(13) If as a result of an assessment or reassessment of his tax payable for the taxation year an individual has not claimed the maximum royalty tax credit to which he is entitled, he may file a revised application for the credit in the prescribed form within 90 days from the date of mailing of the notice of assessment or reassessment in respect of the individual for that taxation year, but not afterwards.

(13.1) An individual becomes entitled to receive the amount of the royalty tax credit at the date the application is filed under subsection (12) or (13).

(14) In order to be entitled to a royalty tax credit under this section, an individual shall retain and produce, on demand by the Provincial Treasurer, a true and complete copy of all documents relating to his Alberta crown royalty and his royalty tax credit, including any partnership agreements and the legal description of the property in respect of which the royalty tax credit is claimed.

12.2 The aggregate of all royalty tax credits paid under this Act shall

(a) be applied by the Provincial Treasurer to reduce non-renewable resource revenue, as defined in the Alberta Heritage Savings Trust Fund Act, and

(b) be deducted from the total amounts used to determine the transfers required to be made to the Alberta Heritage Savings Trust Fund pursuant to section 5 of the Alberta Heritage Savings Trust Fund Act or any Special Act referred to in that section and enacted before or after the commencement of this section, notwithstanding anything in those Acts.