

1993 BILL 11

First Session, 23rd Legislature, 42 Elizabeth II

THE LEGISLATIVE ASSEMBLY OF ALBERTA

BILL 11

ALBERTA CORPORATE TAX AMENDMENT ACT, 1993

THE PROVINCIAL TREASURER

First Reading

Second Reading

Committee of the Whole

Third Reading

Royal Assent

BILL 11

1993

ALBERTA CORPORATE TAX AMENDMENT ACT, 1993

(Assented to _____, 1993)

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2(1) Section 1(4) is repealed and the following is substituted:

(4) Interest at a prescribed rate under this Act shall be
computed and compounded daily.

(5) If interest is payable under a particular section and is
not paid or applied on the day it would, but for this
subsection, have ceased to be computed, interest at a
prescribed rate under this Act shall be computed and
compounded daily on the interest that is not paid or applied
from that day to the day on which it is paid or applied.

*(2) Subsection (1) applies with respect to refunds paid or applied
with respect to taxation years commencing after 1991.*

*3(1) Section 8 is amended by adding the following after subsection
(2):*

(2.001) Paragraph 12(1)(x.1) of the federal Act does not
apply for the purposes of this Act.

*(2) Subsection (1) applies to the 1992 and subsequent taxation
years.*

4(1) Section 12 is amended

(a) by renumbering it as section 12(1);

Explanatory Notes

1 Amends chapter A-17 of the Revised Statutes of Alberta 1980.

2 Section 1(4) presently reads:

(4) Interest computed at a prescribed rate under this Act shall be compounded daily, and, if interest is computed on an amount under any of those provisions and is unpaid on the day it would, but for this subsection, have ceased to be computed under that provision, interest at the prescribed rate shall be computed and compounded daily on the unpaid interest from that day to the day it is paid.

3 Section 8(1) presently reads:

8(1) Subject to subsections (1.1) to (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.

4 Section 12 presently reads:

12 Subdivisions f and g of Division B of Part I of the federal Act apply for the purposes of this Act.

(b) in subsection (1) by striking out “Subdivisions” and substituting “Subject to subsection (2), subdivisions”;

(c) by adding the following after subsection (1):

(2) Subsection 67.5(2) of the federal Act does not apply for the purposes of this Act.

(2) Subsection (1) applies to assessments, reassessments and additional assessments in respect of outlays made and expenses incurred after July 13, 1990.

5(1) Section 18(3) is amended by striking out “and” at the end of clause (a.2) and by adding the following after clause (a.2):

(a.3) subsection 111(9) does not apply, and

(2) Subsection (1) applies with respect to amounts received after 1991.

6(1) Section 22(2)(b) is amended by striking out “and” at the end of subclause (i) and by adding the following after subclause (i):

(i.1) that part, if any, of the amount taxable in Alberta for the year that is not subject to income tax under this Act, and

(2) Subsection (1) applies to the 1992 and subsequent taxation years.

5 Section 18(3) presently reads:

(3) In the application of section 111 of the federal Act

(a) subparagraph 111(3)(a)(ii) does not apply,

(a.1) clause 111(8)(a)(ii)(B) shall be read as if "or claimed by him under paragraph 186(1)(c) or (d)" were struck out,

(a.2) to determine the non-capital loss of a corporation for a taxation year, the reference to section 110.5 in subparagraph 111(8)(b)(ii) shall be read as a reference to section 18(1.1) of this Act, and

(b) with respect to the computation of taxable income for taxation years of a corporation to which this Act applies, no deduction shall be allowed for a corporation's non-capital losses, net capital losses, restricted farm losses or farm losses determined under this Act for the 1983 or subsequent taxation years to the extent that those losses have been deducted in computing taxable income for taxation years of the corporation to which the old Act applies.

6 Section 22(2) presently reads:

(2) There may be deducted from the tax payable under section 21 for a taxation year by a corporation that was, throughout the year, a Canadian-controlled private corporation, an amount equal to the product obtained when the small business allocation factor is multiplied by the applicable percentage for the taxation year of the least of

(a) the amount, if any, by which the aggregate of

(i) the aggregate of all amounts each of which is the income of the corporation for the year from an active business carried on in Canada other than the income of the corporation for the year from a

7(1) Section 30 is amended

(a) in subsection (4.1)(c) by adding “and before January 1, 1992” after “March 31, 1991”;

(b) by adding the following after subsection (4.1):

(4.2) In the application of clause 131(6)(a)(i)(A) and subparagraph 131(6)(b)(vi) of the federal Act for the purposes of this Act in respect of a taxation year ending after December 31, 1991, a reference in that clause or subparagraph to any fraction shall be read as a reference to the fraction obtained when 1 is divided by $\frac{3}{4}$ of the proportion that tax payable under section 21 for the year is of the amount taxable in Alberta for the year.

(c) in subsection (6) by striking out “clause 131(6)(b)(ii)(C)” and substituting “subparagraph 131(6)(b)(vi)”;

(d) in subsection (7) by adding “, (3.1), (3.2)” after “(3)”.

(2) Subsection (1)(a) to (c) apply to the 1992 and subsequent taxation years.

business carried on by it as a member of a partnership, and

(ii) the specified partnership income of the corporation for the year

exceeds the aggregate of

(iii) the aggregate of all amounts each of which is a loss of the corporation for the year from an active business carried on in Canada other than a loss of the corporation for the year from a business carried on by it as a member of a partnership,

(iv) the specified partnership loss of the corporation for the year, and

(v) the corporation's royalty tax deduction for the year,

(b) the amount, if any, by which the corporation's taxable income for the year exceeds the aggregate of

(i) the aggregate of the amounts determined under subparagraphs 125(1)(b)(i) and (ii) of the federal Act, and

(ii) the corporation's royalty tax deduction for the year,

and

(c) the corporation's business limit for the year.

7 Section 30(4.1), (6) and (7) presently read:

(4.1) In the application of clauses 131(6)(a)(i)(A) and 131(6)(b)(ii)(C) of the federal Act for the purposes of this Act,

(a) in respect of a taxation year ending after June 30, 1988 and before 1990, the reference to "75/14" shall be read as a reference to 100/10,

(b) in respect of a taxation year ending after December 31, 1989 and before April 1, 1991, the reference to "100/21" shall be read as a reference to 80/9,

and

(c) in respect of a taxation year ending after March 31, 1991, the reference to any fraction in clauses 131(6)(a)(i)(A) and 131(6)(b)(ii)(C) shall be read as a reference to the fraction obtained when 1 is divided by 3/4 of the proportion that tax payable under section 21 for the year is of the amount taxable in Alberta for the year.

(6) If a corporation had a permanent establishment in a jurisdiction outside Alberta during a taxation year in respect of which this section applies, the capital gains refund under this section shall be

(3) Subsection (1)(d) applies with respect to capital gains refunds paid or applied with respect to taxation years commencing after 1991.

8(1) Section 35(3) is amended by adding the following after clause (a):

(a.1) for the purpose of computing the corporation's income for its first taxation year ending after that time, the corporation shall be deemed to have claimed or deducted, under sections 20, 138 and 140 of the federal Act as they apply for the purposes of this Act, in computing its income for its taxation year ending immediately before that time the greatest amount that could have been claimed or deducted for that year as a reserve under those sections;

(2) Subsection (1) applies to the 1992 and subsequent taxation years.

the capital gains refund otherwise determined under this section multiplied by the Alberta allocation factor, except that this subsection does not apply to the capital gains refund referred to in clause 131(6)(b)(ii)(C) or subparagraph 131(6)(d)(ii) of the federal Act, as made applicable by this section.

(7) Subsections 131(1.3), (1.4), (3), (5) and (9) and paragraph 131(1.1)(b) of the federal Act do not apply for the purposes of this Act.

8 Section 35(3) presently reads:

(3) If at any time, in this subsection referred to as "that time", a corporation becomes or ceases to be exempt from tax under this Act on its taxable income other than as a result of its becoming or ceasing to be a corporation referred to in paragraph 149(1)(t) of the federal Act, the following rules apply:

- (a) the taxation year of the corporation that would otherwise have included that time shall be deemed to have ended immediately before that time and a new taxation year of the corporation shall be deemed to have commenced at that time;*
- (b) the corporation shall be deemed to have disposed, immediately before the time that is immediately before that time, of each property, other than, where, at that time, the corporation ceases to be exempt from tax under this Act on its taxable income, a Canadian resource property or a foreign resource property, that was owned by it immediately before that time for an amount equal to its fair market value at that time and to have reacquired the property at that time at a cost equal to that fair market value;*
- (c) if clause (b) applies in respect of depreciable property of the corporation and the capital cost of it to the corporation immediately before the disposition exceeds the fair market value of it at that time, for the purposes of section 8,*
 - (i) the capital cost of the property to the corporation at that time shall be deemed to be the amount that was the corporation's capital cost of the property immediately before the disposition, and*
 - (ii) the excess shall be deemed to have been allowed to the corporation in respect of the property in computing its income for taxation years ending before that time;*
- (d) notwithstanding section 111 of the federal Act, no amount is deductible in computing the corporation's taxable income for a taxation year ending after that time in respect of a non-capital loss, net capital loss, restricted farm loss, farm loss or limited partnership loss for a taxation year ending before that time to the extent that the loss could have been applied to reduce the*

9(1) Section 43 is amended

- (a) in subsection (0.1) by striking out “subsections (1) and (2)” and substituting “this section”;*
- (b) in subsection (3) by striking out “subsection (1)(a)(ii)” and substituting “subsection (1)(d)(i)(B)”;*
- (c) by adding the following after subsection (3):*

(3.1) Subject to subsection (3.2), if in a particular taxation year a corporation is notified that, pursuant to section 39 or 39.01 of the *Mines and Minerals Act*, the Minister of Energy has recalculated or made additional calculations that change an amount referred to in section 26(1)(c)(i) or (ii) for a previous taxation year in respect of which the normal reassessment period has expired, the Provincial Treasurer, notwithstanding subsection (1) and within the normal reassessment period for the particular taxation year, may

- (a)** assess, reassess or make additional assessments of tax, interest or penalties with respect to the previous taxation year, and
- (b)** determine or redetermine the entitlement to and the amount, if any, of the royalty tax credit of the corporation for the previous taxation year.

(3.2) The Provincial Treasurer may assess, reassess or make additional assessments, determinations or redeterminations under subsection (3.1) only to the extent that they are reasonably related to the recalculation or additional calculation under section 39 or 39.01 of the *Mines and Minerals Act* referred to in subsection (3.1).

- (d) by adding the following after subsection (4):*

(5) Notwithstanding subsections (1), (2) and (3), if the result of an assessment or a decision on an appeal is to change a particular balance of a corporation for a particular taxation year, the Provincial Treasurer may or, if the corporation so requests in writing, shall, before the later of the expiration of the normal reassessment period in respect of another taxation year and the end of the day that is one year after the day on which all rights of objection and appeal have expired or been determined in respect of the particular year, reassess the tax, interest or penalties payable, or redetermine an amount deemed to have been paid, under this Act by the corporation in respect of the

corporation's taxable income for taxation years ending before that time.

9 Section 43(0.1) and (3) presently read:

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.

(3) Where the Provincial Treasurer would, but for this subsection, be entitled to reassess, make an additional assessment, assess tax, interest or penalties or determine the entitlement to and the amount, if any, of a corporation's refundable tax credit by virtue only of the filing of a waiver under subsection (1)(a)(ii), the Provincial Treasurer may not make that reassessment, additional assessment, assessment or determination after the day that is 6 months after the date on which a notice of revocation of the waiver in the prescribed form is filed.

other taxation year, but only for the purpose of giving effect to any provision of this Act requiring the inclusion, or allowing the deduction, of an amount in computing a balance of the corporation for the other year, to the extent that the inclusion or deduction can reasonably be considered to relate to the change in the particular balance of the corporation for the particular year.

(6) For the purposes of subsection (5), a “balance” of a corporation for a taxation year is the income, taxable income, taxable income earned in Canada, amount taxable in Alberta or any loss of the corporation for the year or the tax or other amount payable by, any amount refundable to or any amount deemed to have been paid by, the corporation for the year.

(2) Subsection (1)(a) and (d) apply with respect to reassessments and redeterminations in respect of taxation years made after June 10, 1993 that relate to changes in balances for other taxation years made as a result of assessments made, or decisions on appeals rendered, after December 20, 1991 except that, if the day referred to in section 43(5) of the Alberta Corporate Tax Act as enacted by this Act as “the day on which all rights of objection and appeal have expired or been determined in respect of the particular year” occurs before this Act is assented to, that subsection of the Alberta Corporate Tax Act shall be read as if that reference were a reference to the day this Act is assented to.

(3) Subsection (1)(b) applies with respect to any assessment action that occurs on or after June 25, 1991.

10(1) Section 48 is amended

(a) in subsection (1.1)(a) by adding “, (3.1)” after “(1.2)”;

(b) in subsection (1.1)(a) by striking out “or (4)” and substituting “, (4) or (5)”;

(c) in subsection (1.1) by striking out “or” at the end of clause (a), by adding “or” at the end of clause (b) and by adding the following after clause (b):

(c) under subsection 12(2.2) of the federal Act as it is made applicable for the purposes of this Act,

(d) by adding the following after subsection (1.1):

(1.2) Notwithstanding subsection (1), a corporation shall not object to an assessment made under section 50(1.2).

10 Section 48(1) and (1.1) presently read:

48(1) A corporation that objects to an assessment under this Act may serve on the Provincial Treasurer a notice of objection in the prescribed form setting out the reasons for the objection and all relevant facts, on or before the day that is 90 days after the day of mailing of the notice of assessment.

(1.1) Notwithstanding subsection (1), where at any time the Provincial Treasurer assesses tax, interest or penalties payable under this Act by, or makes a determination in respect of, a corporation

(a) under section 41(1.1), 43(1)(d)(ii)(A), (1.2) or (4), 44 or 47(4.4) or in accordance with an order of a court vacating, varying or restoring the assessment or referring the assessment back to the Provincial Treasurer for reconsideration and reassessment, or

(b) under subsection (4) where the underlying objection relates to an assessment or a determination made under

(2) Subsection (1)(b) applies with respect to reassessments and redeterminations in respect of taxation years made after June 10, 1993 that relate to changes in balances for other taxation years made as a result of assessments made, or decisions on appeals rendered, after December 20, 1991 except that, if the day referred to in section 43(5) of the Alberta Corporate Tax Act as enacted by this Act as "the day on which all rights of objection and appeal have expired or been determined in respect of the particular year" occurs before this Act is assented to, that subsection of the Alberta Corporate Tax Act shall be read as if that reference were a reference to the day this Act is assented to.

11(1) Section 50 is amended

- (a) in subsection (1.1)(a) by adding ", (3.1)" after "(1.2)";*
- (b) in subsection (1.1)(a) by striking out "or (4)" and substituting ", (4) or (5)";*
- (c) in subsection (1.1) by striking out "or" at the end of clause (a), by adding "or" at the end of clause (b) and by adding the following after clause (b):*
 - (c) under subsection 12(2.2) of the federal Act as it is made applicable for the purposes of this Act,*
- (d) by adding the following after subsection (1.1):*

(1.2) Notwithstanding section 43, for the purpose of disposing of an appeal made under this Act, the Provincial Treasurer may at any time, with the consent in writing of the corporation, reassess tax, interest, penalties or other amounts payable under this Act by the corporation.

(1.3) Division 2 applies to a reassessment made under subsection (1.2) as if it had been made under section 43.

(2) Subsection (1)(b) applies with respect to reassessments and redeterminations in respect of taxation years made after June 10, 1993 that relate to changes in balances for other taxation years made as a result of assessments made, or decisions on appeals rendered, after December 20, 1991 except that, if the day referred to in section 43(5) of the Alberta Corporate Tax Act as enacted by this Act as "the day on which all rights of objection and appeal have expired or been determined in respect of the particular year" occurs before this Act is assented to, that subsection of the Alberta Corporate Tax Act shall be read as if that reference were a reference to the day this Act is assented to.

any of the provisions or circumstances referred to in clause (a),

the corporation may object to the assessment or determination within 90 days after the day of mailing of the notice of assessment or determination only to the extent that the reasons for the objection may reasonably be regarded as relating to a matter that gave rise to the assessment or determination and that was not conclusively determined by the court, except that this subsection shall not be read or construed as limiting the right of the corporation to object to an assessment or a determination issued or made before that time.

11 Section 50(1) and (1.1) presently read:

50(1) A corporation that has served notice of objection to an assessment under section 48(1) may appeal to the court to have the assessment vacated or varied after

- (a) the Provincial Treasurer has confirmed the assessment or reassessed, or*
- (b) 90 days have elapsed after service of the notice of objection and the Provincial Treasurer has not notified the corporation that he has vacated or confirmed the assessment or reassessed,*

but no appeal under this section may be instituted after the expiration of 90 days from the day notice that the Provincial Treasurer has confirmed the assessment or reassessed was mailed to the corporation under section 48.

(1.1) Notwithstanding subsection (1), where at any time the Provincial Treasurer assesses tax, interest or penalties payable under this Act by, or makes a determination in respect of, a corporation

- (a) under section 41(1.1), 43(1)(d)(ii)(A), (1.2) or (4), 44 or 47(4.4) or in accordance with an order of a court vacating, varying or restoring the assessment or referring the assessment back to the Provincial Treasurer for reconsideration and reassessment, or*
- (b) under section 48(4) where the underlying objection relates to an assessment or a determination made under any of the provisions or circumstances referred to in clause (a),*

the corporation may appeal to the court within the time limit specified in subsection (1) only to the extent that the reasons for the appeal may reasonably be regarded as relating to a matter that gave rise to the assessment or determination and that was not conclusively determined by the court, except that this subsection shall not be read

12 *Section 52 is amended by adding the following after subsection (2):*

(2.1) If the court disposes of an appeal by a corporation in respect of an amount payable under this Act or an appeal by a corporation has been discontinued or dismissed without trial, the court may, on the application of the Provincial Treasurer and whether or not it awards costs, order the corporation to pay to the Provincial Treasurer an amount not exceeding 10% of any part of the amount in controversy in respect of which the court determines that there were no reasonable grounds for the appeal if, in the opinion of the court, one of the main purposes of instituting or maintaining any part of the appeal was to defer the payment of any amount payable under this Act.

13 *The following is added after section 55:*

Collection
agreement

55.01(1) The Provincial Treasurer, with the approval of the Lieutenant Governor in Council, may, on behalf of the Government of Alberta, enter into a collection agreement with the Government of Canada under which the Government of Canada will collect income taxes payable under Part 1 on behalf of the Government of Alberta and will make payments to the Government of Alberta in respect of the taxes so collected, in accordance with the terms and conditions the collection agreement prescribes.

(2) The Provincial Treasurer, with the approval of the Lieutenant Governor in Council, may, on behalf of the Government of Alberta, enter into an agreement amending the terms and conditions of a collection agreement entered into under subsection (1).

(3) When a collection agreement is entered into, the Minister of National Revenue, on behalf of or as agent for the Provincial Treasurer, may employ all the powers and perform all the duties of the Provincial Treasurer under this Act and exercise any discretion that the Provincial Treasurer has under this Act, including the discretion to refuse to permit the production in judicial or other proceedings in Alberta of any document the production of which is not, in the opinion of the Minister, in the interests of public policy.

(4) When a collection agreement is entered into, the Deputy Minister of National Revenue for Taxation of Canada may

(a) employ all the powers and perform the duties of the Minister of National Revenue and exercise any

or construed as limiting the right of the corporation to appeal from an assessment or a determination issued or made before that time.

12 Section 52 presently reads:

52(1) On the filing of the material referred to in sections 50 and 51(1), (2) and (3) the matter shall be deemed to be an action in the court.

(2) A fact or statutory provision not set out in the notice of appeal or reply may be pleaded or referred to in any manner and on any terms that the court may direct.

(3), (4), (5) Repealed 1992 c2 s27.

13 Collection agreement with the Government of Canada.

discretion that the Minister has under subsection (3) or otherwise under this Act, and

- (b) designate officers of the Minister's department to carry out functions, duties and powers that are similar to those that are exercised by them on the Minister's behalf under the federal Act.

14 Section 60(1) and (3) are amended by striking out "corporation" wherever it occurs and substituting "person".

15 Section 60.1 is amended

- (a) in subsection (1) by striking out "before the day that is 90 days after the day of" and substituting "until after the day that is 90 days after the day of the";*
- (b) in subsection (2) by striking out "before the day" and substituting "until after the day".*

16(1) Section 95 is repealed and the following is substituted:

14 Section 60(1) and (3) presently read:

60(1) If the Provincial Treasurer has knowledge or suspects that a person is or will be, within 90 days, indebted or liable to make any payment to a corporation liable to make a payment under this Act, he may, by notice served personally or by certified mail or registered letter, require him to pay the money otherwise payable to that corporation in whole or in part to the Provincial Treasurer on account of the liability under this Act.

(3) A person who, after receiving notice pursuant to subsection (1), has discharged any liability to a corporation liable to make a payment under this Act without complying with a requirement under this section is liable to pay to Her Majesty in right of Alberta an amount equal to the liability discharged or the amount that he was required under this section to pay to the Provincial Treasurer whichever is the lesser.

15 Section 60.1(1) and (2) presently read:

60.1(1) If a corporation is liable for the payment of an amount assessed under this Act, in this subsection referred to as the "unpaid amount", the Provincial Treasurer shall not, for the purpose of collecting the unpaid amount,

(a) commence legal proceedings in the court,

(b) certify the unpaid amount under section 58, or

(c) require a person to make a payment under section 60,

before the day that is 90 days after the day of mailing of the notice of assessment.

(2) If a corporation has served a notice of objection under this Act to an assessment of an amount payable under this Act, the Provincial Treasurer shall not, for the purpose of collecting the amount in controversy, take any of the actions described in subsection (1)(a) to (c) before the day that is 90 days after the day on which notice is mailed to the corporation that the Provincial Treasurer has confirmed or varied the assessment.

16 Section 95 presently reads:

Calculation of
taxable
paid-up capital
of resident
corporation

95 The taxable paid-up capital of a resident corporation that is a bank, loan and trust corporation or a credit union for a particular taxation year is its taxable paid-up capital computed at the end of the taxation year on an unconsolidated basis, including the amount by which the aggregate of

- (a) its capital stock,
- (b) its contributed surplus,
- (c) its retained earnings, capital and other surpluses,
- (d) its deferred tax credit, and
- (e) all of its reserves, whether created from income or otherwise, except any reserve the creation of which is allowed as a charge against income under Part 2

exceeds the aggregate of

- (f) its deficit,
- (g) its deferred tax debit, and
- (h) amounts deducted for income tax purposes in excess of the amounts recorded in the books, including any amount by which the net book value of depreciable assets, excluding appraisal increases, exceeds the undepreciated capital cost for income tax purposes.

(2) Subsection (1) applies to the 1993 and subsequent taxation years.

17(1) The Alberta Corporate Tax Amendment Act, 1992 is amended by this section.

(2) Section 29(2) is amended by striking out "refunds for" and substituting "penalties and interest in respect of".

(3) This section is deemed to have come into force on June 16, 1992.

95(1) The taxable paid-up capital of a resident corporation that is a bank for a particular taxation year is the aggregate, computed at the end of the taxation year, of

- (a) its capital stock,*
- (b) its contributed surplus,*
- (c) its retained earnings,*
- (d) its general reserve, and*
- (e) any tax paid appropriations included in its appropriation for contingencies account,*

as calculated pursuant to section 308 of the Bank Act (Canada) or paragraph 53(2)(d) and Schedule D of the Quebec Savings Banks Act (Quebec) on an unconsolidated basis.

(2) The taxable paid-up capital of a resident corporation that is a loan and trust corporation or a credit union for a particular taxation year is the aggregate computed at the end of the taxation year of

- (a) its capital stock,*
- (b) its earned, capital and other surpluses, and*
- (c) all its reserves except a reserve for the creation of which an amount is permitted as a deduction in computing income under Part 2 unless otherwise prescribed.*

17 This section amends chapter 2 of the Statutes of Alberta, 1992. Section 29 reads as follows:

29(1) The following is added after section 55:

55.1 Notwithstanding the Financial Administration Act, the Provincial Treasurer may at any time waive or cancel the imposition of or liability for any penalty or interest imposed or payable under this Act.

(2) Subsection 1 applies with respect to refunds for the 1985 and subsequent taxation years.