

2017 Bill 15

Third Session, 29th Legislature, 66 Elizabeth II

THE LEGISLATIVE ASSEMBLY OF ALBERTA

BILL 15

TAX STATUTES AMENDMENT ACT, 2017

THE PRESIDENT OF TREASURY BOARD, MINISTER OF FINANCE

First Reading

Second Reading

Committee of the Whole

Third Reading

Royal Assent

Bill 15

BILL 15

2017

TAX STATUTES AMENDMENT ACT, 2017

(Assented to _____, 2017)

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

Alberta Corporate Tax Act

Amends RSA 2000 cA-15

1(1) The *Alberta Corporate Tax Act* is amended by this section.

(2) Section 2(5)(a) is amended by adding “of income” before “required to be filed under section 150”.

(3) Section 4.01(b) is amended by striking out “subsection 79(7)” and substituting “subsections 20(14.2) and 79(7)”.

Explanatory Notes

Alberta Corporate Tax Act

1(1) Amends chapter A-15 of the Revised Statutes of Alberta 2000.

(2) Section 2(5) presently reads:

(5) In the application of a section of the federal Act that, by this Act, is made applicable for the purposes of this Act, a reference to

(a) a return required to be filed under section 150 of that Act is deemed to be a reference to a return required to be filed under section 36 of this Act, and

(b) an assessment required to be made under section 152 of that Act is deemed to be a reference to an assessment required to be made under section 41 of this Act.

(3) Section 4.01 presently reads:

4.01 In determining the Canadian tax results, as defined in section 261 of the federal Act as it applies for the purposes of this Act, of a corporation for a particular taxation year,

(4) Subsection (3) is deemed to have come into force on January 1, 2017.

(5) Section 14.3(3) is amended by striking out “income tax”.

(6) Section 16.2(3) is amended by striking out “income tax”.

(7) Section 22 is amended

(a) in subsection (1)

(i) in clause (b) by striking out “, as modified by subsections 125(3), (4), (5) and (5.1) of that Act and as adopted by this Act”;

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

- (a) *subject to section 4.02, Canadian currency is to be used, and*
- (b) *subject to section 4.02 and subsection 79(7) and paragraphs 80(2)(k) and 142.7(8)(b) of the federal Act as they apply for the purposes of this Act, if a particular amount that is relevant in computing those Canadian tax results is expressed in a currency other than Canadian currency, the particular amount is to be converted to an amount expressed in Canadian currency using the relevant spot rate for the day on which the particular amount arose.*

(4) Coming into force of subsection (3).

(5) Section 14.3(3) presently reads:

(3) The election form referred to in sections 14.1(3) and 14.2(3) must be filed with the Provincial Minister by the corporation that acquired the property at the time its income tax return is due for the last taxation year beginning in the 36-month period referred to in section 14.1(3)(b) or 14.2(3)(c), as the case may be.

(6) Section 16.2(3) presently reads:

(3) The election form referred to in section 16.1(3) must be filed by all of the members of the partnership with the Provincial Minister at the time when the income tax return is first due for a member of the partnership that is a corporation for its taxation year that includes the last fiscal period of the partnership beginning in the 36-month period referred to in section 16.1(3)(c).

(7) Section 22 presently reads in part:

22(1) In this section,

- (b) *“business limit” of a corporation for a taxation year has the meaning assigned to it by subsection 125(2) of the federal Act, as modified by subsections 125(3), (4), (5) and (5.1) of that Act and as adopted by this Act;*

(e.1) “specified corporate income” of a corporation for a taxation year has the meaning assigned to it by subsection 125(7) of the federal Act;

(iii) by adding the following after clause (f):

(f.1) “specified partnership business limit” of a person for a taxation year has the meaning assigned to it by subsection 125(7) of the federal Act;

(iv) by repealing clause (g) and substituting the following:

(g) “specified partnership income” of a corporation for a taxation year has the meaning assigned to it by subsection 125(7) of the federal Act;

(v) by repealing clause (i);

(b) by repealing subsection (2.1293)(c) and substituting the following:

(c) the proportion of the least of the following amounts that the number of days in the year after March 31, 2009 and before July 1, 2015 bears to the number of days in the year:

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

(A) 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 an amount that is

(I) described in paragraph (a) of the description of A in the definition of specified partnership income of the corporation in subsection 125(7) of the federal Act as it applies for the purposes of this Act for the year,

(II) described in subparagraph (a)(i) of the definition of specified corporate income of the corporation in subsection 125(7) of the federal Act, as it applies for the purposes of this Act for the year, or

(g) “specified partnership income” of a corporation for a taxation year has the meaning assigned to it by subsection 125(7) of the federal Act except that where the fiscal period of a partnership ends after March 31, 2001, paragraph (b) of the definition of A shall be read as follows:

(b) the aggregate of the amounts determined by the formulas

(i) $\frac{K \times P}{L}$,

(ii) $\frac{K \times Q}{L}$,

(iii) $\frac{K \times R}{L}$,

(iv) $\frac{K \times S}{L}$,

(v) $\frac{K \times T}{L}$,

(vi) $\frac{K \times U}{L}$, and

(vii) $\frac{K \times V}{L}$

where

K and *L* have the meaning assigned to them in the definition of specified partnership income in subsection 125(7) of the federal Act, and

P is the lesser of

(i) \$200 000, and

(ii) the product obtained when \$548 is multiplied by the total of all amounts each of which is the number of days contained in a fiscal period of the partnership ending in the year that were before April 1, 2001,

Q is the lesser of

- (III) paid or payable to the corporation by another corporation with which it is associated, that is deemed by subsection 129(6) of the federal Act as it applies for the purposes of this Act to be income for the year from an active business carried on by the corporation in circumstances where the associated corporation is not a Canadian-controlled private corporation, or is a Canadian-controlled private corporation that has made an election under subsection 256(2) of the federal Act as it applies for the purposes of this Act, in respect of its taxation year in which the amount was paid or payable,
 - (B) the specified partnership income of the corporation for the year, and
 - (C) the specified corporate income of the corporation for the year
- exceeds the aggregate of
- (D) 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, and
 - (E) the specified partnership loss of the corporation for the year;
- (ii) the amount, if any, by which the corporation's taxable income for the year exceeds the aggregate of
 - (A) the aggregate of the amounts determined under subparagraphs 125(1)(b)(i) and (ii) of the federal Act as they apply for the purposes of this Act, and
 - (B) that part, if any, of the amount taxable in Alberta for the year that is not subject to income tax under this Act;
 - (iii) the corporation's business limit for the year.

- (i) \$300 000, and
- (ii) the product obtained when \$822 is multiplied by the total of all amounts each of which is the number of days contained in a fiscal period of the partnership ending in the year that were after March 31, 2001 and before April 1, 2002,

R is the lesser of

- (i) \$350 000, and
- (ii) the product obtained when \$959 is multiplied by the total of all amounts each of which is the number of days contained in a fiscal period of the partnership ending in the year that were after March 31, 2002 and before April 1, 2003,

S is the lesser of

- (i) \$400 000, and
- (ii) the product obtained when \$1096 is multiplied by the total of all amounts each of which is the number of days contained in a fiscal period of the partnership ending in the year that were after March 31, 2003 and before April 1, 2007,

T is the lesser of

- (i) \$430 000, and
- (ii) the product obtained when \$1175 is multiplied by the total of all amounts each of which is the number of days contained in a fiscal period of the partnership ending in the year that were after March 31, 2007 and before April 1, 2008,

U is the lesser of

- (i) \$460 000, and
- (ii) the product obtained when \$1261 is multiplied by the total of all amounts each of which is the number of days contained in a fiscal period of the partnership

(c) by repealing subsection (2.1294)(c) and substituting the following:

- (c) the proportion of the least of the following amounts that the number of days in the year after June 30, 2015 and before January 1, 2017 bears to the number of days in the year:
 - (i) the amount determined under subsection (2.1293)(c)(i);
 - (ii) the amount determined under subsection (2.1293)(c)(ii);
 - (iii) the corporation's business limit for the year.

(d) by repealing subsection (2.1295)(c) and substituting the following:

- (c) the proportion of the least of the following amounts that the number of days in the year after December 31, 2016 bears to the number of days in the year:
 - (i) the amount determined under subsection (2.1293)(c)(i);
 - (ii) the amount determined under subsection (2.1293)(c)(ii);
 - (iii) the corporation's business limit for the year.

(e) by adding the following after subsection (3):

(3.1) Subsections 125(3.2) and (8) of the federal Act apply for the purposes of this section except that where an amount has been assigned

- (a) by a corporation under subsection 125(3.2) of the federal Act, or
- (b) by a person under subsection 125(8) of the federal Act

that amount is deemed to be assigned for the purposes of this section.

ending in the year that were after March 31, 2008 and before April 1, 2009,

and

V is the lesser of

- (i) \$500 000, and*
 - (ii) the product obtained when \$1370 is multiplied by the total of all amounts each of which is the number of days contained in a fiscal period of the partnership ending in the year that were after March 31, 2009;*
- (i) “specified shareholder” of a corporation in a taxation year has the meaning assigned to it by subsection 248(1) of the federal Act.*

(2.1293) There may be deducted from the tax payable under section 21 for a taxation year ending after March 31, 2009 by a corporation that was, throughout the year, a Canadian-controlled private corporation an amount equal to the product obtained by the multiplication of the following:

- (a) the small business allocation factor for the year;*
- (b) 7%;*
- (c) the proportion of the least of the following amounts that the number of days in the year after March 31, 2009 and before July 1, 2015 bears to the number of days in the year:*
 - (i) the amount determined under subsection (2)(a);*
 - (ii) the amount determined under subsection (2)(b);*
 - (iii) the corporation’s business limit for the year.*

(2.1294) There may be deducted from the tax payable under section 21 for a taxation year ending after June 30, 2015 by a corporation that was, throughout the year, a Canadian-controlled private corporation an amount equal to the product obtained by the multiplication of the following:

- (a) the small business allocation factor for the year;*

(3.2) If the Minister of National Revenue determines the amount of specified corporate income pursuant to paragraph (b) of the definition of “specified corporate income” in subsection 125(7) of the federal Act, that amount is deemed to be the amount of specified corporate income for the purposes of this section.

(f) in subsection (4) by striking out “and (6)” and substituting “, (6), (6.1), (6.2) and (6.3)”;

(g) by adding the following after subsection (4):

(5) Subsections 125(3.1) and (9) of the federal Act apply for the purposes of this section.

(6) Subsection 125(10) of the federal Act applies for the purposes of this section except that

- (a) the reference to clause (1)(a)(i)(B) in that subsection shall be read as a reference to subsection (2.1293)(c)(i)(A)(II) of this section,
- (b) the reference to subparagraph (1)(a)(ii.1) in that subsection shall be read as a reference to subsection (2.1293)(c)(i)(C) of this section,
- (c) the reference to clauses (1)(a)(i)(A) to (C) in that subsection shall be read as a reference to subsection (2.1293)(c)(i)(A)(I) to (III) of this section, and
- (d) the reference to clause (1)(a)(i)(C) in that subsection shall be read as a reference to subsection (2.1293)(c)(i)(A)(III) of this section.

(8) Subsection (7)(a)(i) to (iv), (b), (c), (d), (e) and (g) apply

(a) to taxation years beginning after March 21, 2016, and

(b) to each taxation year beginning before March 22, 2016 and ending after March 21, 2016 to which paragraph 44(9)(b) of the *Budget Implementation Act, 2016, No. 2* (Canada) applies.

(b) 9.0%;

(c) *the proportion of the least of the following amounts that the number of days in the year after June 30, 2015 and before January 1, 2017 bears to the number of days in the year:*

(i) *the amount determined under subsection (2)(a);*

(ii) *the amount determined under subsection (2)(b);*

(iii) *the corporation's business limit for the year.*

(2.1295) There may be deducted from the tax payable under section 21 for a taxation year ending after December 31, 2016 by a corporation that was, throughout the year, a Canadian-controlled private corporation an amount equal to the product obtained by the multiplication of the following:

(a) *the small business allocation factor for the year;*

(b) 10%;

(c) *the proportion of the least of the following amounts that the number of days in the year after December 31, 2016 bears to the number of days in the year:*

(i) *the amount determined under subsection (2)(a);*

(ii) *the amount determined under subsection (2)(b);*

(iii) *the corporation's business limit for the year.*

(4) Subsections 125(5), (5.1) and (6) of the federal Act apply for the purposes of this section.

(8) Application of subsection (7)(a) to (e) and (g).

(9) Section 28(1) is amended by striking out “and (2)” and substituting “, (2) and (4.1)”.

(10) Subsection (9) is deemed to have come into force on January 1, 2017.

(11) Section 30(1) is amended by adding “, or is deemed to be,” after “if a corporation is”.

(12) Subsection (11) is deemed to have come into force on January 1, 2017.

(13) Section 35(3)(e) is repealed.

(9) Section 28(1) presently reads:

28(1) If a corporation is throughout a taxation year an investment corporation, other than a corporation that was a mutual fund corporation throughout the year, subsections 131(1) and (2) of the federal Act, as made applicable by section 30 of this Act, apply as if

- (a) the corporation had been a mutual fund corporation throughout that and all previous taxation years ending after 1971 throughout which it was an investment corporation, and*
- (b) its capital gains redemption for that and all previous taxation years ending after 1971, throughout which it would but for the assumption made by clause (a) not have been a mutual fund corporation, were nil.*

(2) Section 30 applies to a corporation to which this section applies.

(10) Coming into force of subsection (9).

(11) Section 30(1) presently reads:

30(1) Subject to subsections (1.1) to (7), if a corporation is a mutual fund corporation, section 131 of the federal Act applies for the purposes of this Act.

(12) Coming into force of subsection (11).

(13) Section 35(3)(e) presently reads:

(3) Where, at any time (in this subsection referred to as “that time”), a corporation referred to in subsection (1)(a) becomes or ceases to be exempt from tax under this Act on its taxable income otherwise than by reason of paragraph 149(1)(t) of the federal Act, as it applies for the purposes of this Act, the following rules apply:

- (e) where, immediately before the disposition time, the corporation’s cumulative eligible capital in respect of a business exceeds the total of*

(14) Subsection (13) is deemed to have come into force on January 1, 2017.

(15) Section 36 is amended

- (a) in subsection (1.1)(b)(vii) by adding “of income” after “return”;**
- (b) in subsection (1.2) by adding “of income” after “filed its return”;**
- (c) in subsection (1.3)**
 - (i) in clause (a) by adding “of income” after “its return”;**
 - (ii) in clause (b) by adding “of income” before “filed under Part I”.**

- (i) *3/4 of the fair market value of the eligible capital property in respect of the business, and*
- (ii) *the amount otherwise deducted under paragraph 20(1)(b) of the federal Act, as it applies for the purposes of this Act, in computing the corporation's income from the business for the taxation year that ended immediately before that time,*

the excess shall be deducted under paragraph 20(1)(b) of the federal Act, as it applies for the purposes of this Act, in computing the corporation's income from the business for the taxation year that ended immediately before that time.

(14) Coming into force of subsection (13).

(15) Section 36 presently reads in part:

(1.1) Subsection (1) does not apply to the following corporations:

(b) a corporation that

(vii) files a return for the taxation year with the Minister of National Revenue under Part I of the federal Act,

(1.2) For the purposes of section 37(1), if a corporation that was required to file a return for a taxation year failed to file the return on the reasonable belief that it was not required to file a return because of subsection (1.1)(b) or (c), the corporation is deemed to have filed a return for the year under this Act on the date it filed its return for the year under Part I of the federal Act.

(1.3) For the purposes of sections 37.1, 44 and 47, where a corporation is not required to file a return for a taxation year because of subsection (1.1)(b) or (c),

(a) the corporation is deemed to have filed a return for the year under this Act on the date it filed its return for the year under Part I of the federal Act, and

(b) the return filed under Part I of the federal Act is deemed to be the return filed under this Act.

(16) Section 36.1 is amended

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

Electronic filing of return

36.1(1) For the purposes of this section, “electronic filing” means using electronic media in a manner specified in writing by the Provincial Minister.

- (b) by adding the following after subsection (2.1):**

(2.2) In this section and section 37.4, “tax preparer”, for a calendar year, means a person, partnership or firm that, in the year, accepts consideration to prepare more than 10 returns, but does not include an employee who prepares returns in the course of performing their duties of employment.

(2.3) A tax preparer shall file any return prepared by the tax preparer for consideration by way of electronic filing, except that 10 returns may be filed other than by way of electronic filing.

(2.4) Subsection (2.3) does not apply to a tax preparer for a calendar year in respect of a return

- (a) of a type for which the tax preparer has applied to the Provincial Minister for authority to file by way of electronic filing for the year and for which that authority has not been granted because the tax preparer does not meet the criteria referred to in subsection (2),
- (b) of a prescribed corporation, or
- (c) of a type that the Provincial Minister does not accept by way of electronic filing.

- (c) by repealing subsection (3) and substituting the following:**

(3) For the purposes of section 36, where a return of a corporation for a taxation year is filed by way of electronic filing, it is deemed to be a return filed with the Provincial

(16) Section 36.1 presently reads:

36.1(1) For the purposes of this section, “electronic filing” means using electronic media of a type or class specified in writing by the Provincial Minister in accordance with instructions specified in writing by the Provincial Minister.

(2) A person who meets the criteria specified in writing by the Provincial Minister may file a return of income for a taxation year by way of electronic filing.

(2.1) If a corporation is, in respect of a taxation year, a prescribed corporation, the corporation shall file its return for the taxation year by way of electronic filing.

(3) A return of income of a corporation for a taxation year that is sent by way of electronic filing by a person referred to in subsection (2) or (2.1) is deemed to have been filed on the day that the Provincial Minister acknowledges that

(a) the return has been received, and

(b) the return is in an acceptable format and is in the prescribed form.

Minister in prescribed form on the day the Provincial Minister acknowledges that the return has been received.

(17) Subsection (16)(b) applies in respect of returns for taxation years ending after December 31, 2017.

(18) The following is added after section 37.2:

**Failure by corporation to file return
by way of electronic filing**

37.3 Every corporation that fails to file a return for a taxation year as required by section 36.1(2.1) is liable to a penalty equal to \$1000.

**Failure by tax preparer to file return
by way of electronic filing**

37.4 Every tax preparer who fails to file a return as required by section 36.1(2.3) is liable to a penalty equal to \$100 for each such failure in respect of a return of a corporation.

(19) Subsection (18) applies in respect of returns for taxation years ending after December 31, 2017.

(20) Section 45(3) is repealed and the following is substituted:

(3) At any time after the normal reassessment period, the Provincial Minister may advance an alternative basis or argument, including that all or any portion of the income to which an amount relates was from a different source, in support of all or any portion of the total amount determined on assessment to be payable or remittable by a corporation under this Act unless, on an appeal under this Act,

- (a) there is relevant evidence that the corporation is no longer able to adduce without the permission of the court, and
- (b) it is not appropriate in the circumstances for the court to order that the evidence be adduced.

(21) Subsection (20) applies to appeals commenced on or after December 31, 2016.

(17) Application of subsection (16)(b).

(18) Failure by corporation to file return; failure by tax preparer to file return.

(19) Application of subsection (18).

(20) Section 45(3) presently reads:

(3) The Provincial Minister may advance an alternative argument in support of an assessment at any time after the normal reassessment period unless, on an appeal under this Act,

(a) there is relevant evidence that the corporation is no longer able to adduce without the permission of the court, and

(b) it is not appropriate in the circumstances for the court to order that the evidence be adduced.

(21) Application of subsection (20).

(22) Section 48 is amended

(a) by adding the following before subsection (1):

(0.1) For the purposes of this section, “electronic filing” means using electronic media in a manner specified in writing by the Provincial Minister.

(b) by repealing subsection (2) and substituting the following:

(2) A notice of objection under this section shall be served by being sent

(a) by registered letter addressed to the Provincial Minister,
or

(b) by way of electronic filing.

(2.1) A notice of objection of a corporation for a taxation year that is sent by way of electronic filing is deemed to have been served on the day the Provincial Minister acknowledges that the notice has been received.

(c) in subsection (7) by striking out “by registered letter”.

(23) The following provisions are amended by striking out “of income”:

section 36.1(2);
section 37(2);
section 43(1) and (1.02)(a)(i);
section 44(2)(a).

Alberta Personal Income Tax Act

Amends RSA 2000 cA-30

2(1) The *Alberta Personal Income Tax* is amended by this section.

(22) Section 48 presently reads in part:

48(1) A corporation that objects to an assessment under this Act may serve on the Provincial Minister 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 sending of the notice of assessment.

(2) A notice of objection under this section shall be served by being sent by registered letter addressed to the Provincial Minister.

(7) If a corporation has served a notice of objection to an assessment in accordance with this section and the Provincial Minister then reassesses for the taxation year in respect of which the notice of objection was served or issues an additional assessment in respect of that year and notifies the corporation of the Provincial Minister's action by registered letter, the corporation may without serving a notice of objection to the reassessment or the additional assessment,

(a) appeal to the court in accordance with section 50, or

(b) if an appeal to the court has been instituted with respect to the assessment, amend that appeal by joining to it an appeal in respect of the reassessment or additional assessment in the manner and on the terms, if any, that the court may direct.

(23) Striking out “of income”.

Alberta Personal Income Tax Act

2(1) Amends chapter A-30 of the Revised Statutes of Alberta 2000.

(2) Section 16 is amended

(a) in subsection (1) by adding “who is a qualifying student for the year” **after** “taxation year by an individual”;

(b) by repealing subsection (2);

(c) by repealing subsection (3) and substituting the following:

(3) Subsections 118.6(1) and (3) of the federal Act apply for the purposes of this Act.

(2) Section 16 presently reads in part:

16(1) For the purpose of computing the tax payable under this Act for a taxation year by an individual, there may be deducted an amount determined by the formula

A x B

where

A is the specified percentage for the year;

B is the total of the products obtained when

- (a) \$600 is multiplied by the number of months in the year during which the individual is enrolled in a qualifying educational program as a full-time student at a designated educational institution, and*
- (b) \$180 is multiplied by the number of months in the year (other than months described in clause (a)), each of which is a month during which the individual is enrolled at a designated educational institution in a specified educational program that provides that each student in the program spend not less than 12 hours in the month on courses in the program.*

(2) Subsection (1) does not apply unless the enrolment is proven by filing with the Provincial Minister a certificate in the prescribed form issued by the designated educational institution and containing prescribed information and, in respect of a designated educational institution described in subparagraph (a)(ii) of the definition “designated educational institution” in subsection 118.6(1) of the federal Act, the individual has attained the age of 16 years before the end of the year and is enrolled in the program to obtain skills for, or to improve the individual’s skills in, an occupation.

(3) Section 118.6 of the federal Act applies for the purposes of this Act except that subsections (1) and (2) of this section apply instead of subsection 118.6(2) of the federal Act, and subsection 118.6(2.1) of the federal Act does not apply.

(3) Section 17 is amended

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

Unused tuition and education credits

17(1) In this section, an individual's unused tuition and education credits at the end of a taxation year are the amount determined by the formula

$$A + (B - C) - (D + E)$$

where

- A is the amount determined under this subsection in respect of the individual at the end of the preceding taxation year;
- B is the total of all amounts each of which may be deducted under section 15 or 16 in computing the individual's tax payable under this Act for the year;
- C is the lesser of the value of B and the amount that would be the individual's tax payable under this Act for the year if no amount were deductible under this Division (other than an amount deductible under this section and any of sections 8 to 10, 13, 13.1 and 19);
- D is the amount that the individual may deduct under subsection (1.1) for the year;
- E is the tuition and education tax credits transferred for the year by the individual to the individual's spouse, common-law partner, parent or grandparent.

- (b) by adding the following after subsection (1):**

(1.1) For the purpose of computing an individual's tax payable under this Act for a taxation year, there may be deducted the lesser of

- (a) the amount determined under subsection (1) in respect of the individual at the end of the preceding taxation year, and

(3) Section 17 presently reads:

17(1) Subsections 118.61(1) and (2) of the federal Act apply for the purposes of this Act.

(2) If an individual was not resident in Alberta on the last day of the preceding taxation year, the individual's unused tuition and education credits at the end of that year are deemed to equal the amount that would be the individual's unused tuition and education credits at the end of that year under subsections 118.61(1) and (2) of the federal Act if the percentage applied under sections 118.5 and 118.6 of that Act in computing the individual's tuition and education credits had, at all material times, been the specified percentage instead of the appropriate percentage as defined in that Act.

(3) For the purposes of this section, an individual's unused tuition and education credits at the end of the 2000 taxation year are deemed to equal the amount that would be the individual's unused tuition and education credits at the end of that year under subsections 118.61(1) and (2) of the federal Act if the percentage applied under sections 118.5 and 118.6 of that Act in computing the individual's tuition and education credits had, at all material times, been the specified percentage instead of the appropriate percentage as defined in that Act.

(b) the amount that would be the individual's tax payable under this Act for the year if no amount were deductible under this Division other than an amount deductible under this section and any of sections 8 to 10, 13, 13.1 and 19.

(c) **in subsections (2) and (3) by striking out** "sections 118.5 and 118.6" **and substituting** "section 118.5".

(4) Section 20 is amended

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

Transfer of tax credits

20(1) Section 118.8 of the federal Act applies for the purpose of this section except that

- (a) the reference to "tuition tax credit" in the description of A is to be read as "tuition and education credits", and
- (b) the reference to "section 118.5" in the description of C is to be read as a reference to "sections 15 and 16 of this Act";

(b) **in subsection (1.1)**

(i) **by repealing clause (a) and substituting the following:**

- (a) the reference to section 118.5 in the description of A is to be read as references to sections 15 and 16 of this Act,

(ii) **by adding "and" at the end of clause (b) and adding the following after clause (b):**

- (c) the reference to "tuition tax credit" is to be read as "tuition and education credits" and "is the lesser of" is to be read as "are the lesser of".

(c) **in subsection (2) by adding** "except that the reference to "tuition tax credit" is to be read as "tuition and education tax credits" " **after** "purposes of this Act".

(4) Section 20 presently reads in part:

20(1) Section 118.8 of the federal Act applies for the purposes of this section.

(1.1) Section 118.81 of the federal Act applies for the purposes of this Act, except that

(a) the references to sections 118.5 and 118.6 in the description of A are to be read as references to sections 15 and 16, respectively, of this Act, and

(b) effective January 1, 2005, the reference to “appropriate percentage for the taxation year” in the description of A is to be read as “the specified percentage for the year”.

(2) Section 118.9 of the federal Act applies for the purposes of this Act.

(5) Section 21 is amended by adding “and” at the end of clause (i) and by repealing clauses (j) to (l) and substituting the following:

- (j) for the 2017 taxation year and subsequent taxation years
 - (i) the reference in paragraph (a) to “21/29” is to be read as “54/359”, and
 - (ii) the reference in paragraph (b) to “6/11” is to be read as “69/190”.

(5) Section 21 presently reads in part:

21 Section 121 of the federal Act applies for the purposes of this Act except that

(i) for the 2016 taxation year

(i) the reference in paragraph (a) to “21/29” is to be read as “73/344”, and

(ii) the reference in paragraph (b) to “6/11” is to be read as “69/190”,

(j) for the 2017 taxation year

(i) the reference in paragraph (a) to “20/29” is to be read as “64/417”, and

(ii) the reference in paragraph (b) to “6/11” is to be read as “69/190”,

(k) for the 2018 taxation year

(i) the reference in paragraph (a) to “20/29” is to be read as “4/25”, and

(ii) the reference in paragraph (b) to “6/11” is to be read as “69/190”,

and

(l) for the 2019 taxation year and subsequent taxation years

(i) the reference in paragraph (a) to “9/13” is to be read as “149/890”, and

(ii) the reference in paragraph (b) to “6/11” is to be read as “69/190”.

(6) Section 24 is amended

(a) in subsection (1) by adding the following after clause (b):

- (b.1) “registered leadership contestant” means a person who is a registered leadership contestant under the *Election Finances and Contributions Disclosure Act*;
- (b.2) “registered nomination contestant” means a person who is a registered nomination contestant under the *Election Finances and Contributions Disclosure Act*;

(b) in subsection (2.1)

- (i) by striking out “or registered candidate” and substituting “, registered candidate, registered leadership contestant or registered nomination contestant”;**
 - (ii) in clause (a) by adding “, a registered leadership contestant or a registered nomination contestant” after “registered constituency association”;**
- (c) in subsection (3) by striking out “or registered candidate” and substituting “, registered candidate, registered leadership contestant or registered nomination contestant”.**

(6) Section 24 presently reads in part:

24(1) In this section,

- (a) “registered candidate” means a person who is a registered candidate under the Election Finances and Contributions Disclosure Act;*
- (b) “registered constituency association” means a registered constituency association under the Election Finances and Contributions Disclosure Act;*
- (c) “registered party” means a political party that is a registered party under the Election Finances and Contributions Disclosure Act.*

(2.1) In respect of the aggregate amount of contributions under the Election Finances and Contributions Disclosure Act contributed by an individual during a taxation year to a registered party, registered constituency association or registered candidate, that individual may deduct the lesser of the amount of tax payable and an amount equal to

- (a) in the case of a registered party, a registered constituency association or a registered candidate who is a candidate under the Election Act, for contributions made on or after January 1, 2004 in respect of an election under the Election Act,*
 - (i) 75% of the amount contributed if the aggregate amount of contributions by the individual does not exceed \$200,*
 - (ii) \$150 plus 50% of the amount contributed in excess of \$200 if the aggregate amount of contributions by the individual exceeds \$200 but does not exceed \$1100, or*
 - (iii) if the aggregate amount of contributions by the individual exceeds \$1100, the lesser of*
 - (A) \$1000, and*
 - (B) \$600 plus 33 1/3 % of the amount contributed in excess of \$1100,*

and

(7) Section 35.3(5) is repealed and the following is substituted:

(5) The amount deemed to have been paid by an eligible individual for a taxation year is nil where the amount in relation to a month specified for the taxation year that would otherwise be deemed by subsection (3) to have been paid on account of the eligible individual's tax payable under this Act is less than \$25.

(8) Section 85.1(3.1) is amended

(a) by striking out “Subsection (3)” and substituting “Subsection (2)”;

(b) in clause (a) by adding the following after subclause (i):

(i.1) the federal Act as it applies for the purposes of this Act,

(b) *in the case of a registered party that has nominated a candidate under the Senatorial Selection Act or a registered candidate who is a candidate under the Senatorial Selection Act, for contributions made on or after January 1, 2004 in respect of an election under the Senatorial Selection Act,*

(i) *75% of the amount contributed if the aggregate amount of contributions by the individual does not exceed \$200,*

(ii) *\$150 plus 50% of the amount contributed in excess of \$200 if the aggregate amount of contributions by the individual exceeds \$200 but does not exceed \$1100, or*

(iii) *if the aggregate amount of contributions by the individual exceeds \$1100, the lesser of*

(A) *\$1000, and*

(B) *\$600 plus 33 1/3 % of the amount contributed in excess of \$1100.*

(3) *Payment of each amount that is included in the aggregate amount of contributions in respect of which a deduction is claimed under subsection (2.1) must be proved by filing with the Provincial Minister receipts signed on behalf of the registered party, registered constituency association or registered candidate, as the case may be.*

(7) Section 35.3(5) presently reads:

(5) *The amount deemed to have been paid by an eligible individual for a taxation year is nil where the total amount that would otherwise be deemed by subsection (3) to have been paid on account of the eligible individual's tax payable under this Act for the months specified for the taxation year is less than \$100.*

(8) Section 85.1(3.1) presently reads:

(3.1) *Subsection (3) applies to a transaction only if it may reasonably be considered that the transaction*

(a) *would, if this Act were read without reference to this section, result, directly or indirectly, in a misuse of the provisions of any one or more of*

(9) Subsections (2) to (5) are deemed to have come into force on January 1, 2017.

(10) Subsection (6) applies

- (a) to contributions made to a registered leadership contestant on or after January 1, 2017 in respect of a leadership contest commencing after the coming into force of section 17(9) of *the Election Finances and Contributions Disclosure Act*, and**
- (b) to contributions made to a registered nomination contestant on or after January 1, 2017.**

(11) Subsection (7) comes into force on July 1, 2017.

Fuel Tax Act

Amends SA 2006 cF-28.1

3(1) The *Fuel Tax Act* is amended by this section.

- (i) *this Act or the regulations,*
- (ii) *the Income Tax Regulations (Canada) as they apply for the purposes of this Act,*
- (iii) *the Income Tax Application Rules (Canada) as they apply for the purposes of this Act,*
- (iv) *a tax treaty, or*
- (v) *any other enactment that is relevant in computing tax or any other amount payable by or refundable to a person under this Act or in determining any amount that is relevant for the purposes of that computation,*

or

- (b) *would result directly or indirectly in any abuse having regard to the provisions referred to in clause (a), other than this section, read as a whole.*

(9) Coming into force of subsections (2) to (5).

(10) Application of subsection (6).

(11) Coming into force of subsection (7).

Fuel Tax Act

3(1) Amends chapter F-28.1 of the Statutes of Alberta, 2006.

(2) Section 38 is amended

(a) by adding the following before subsection (1):

Notice of objection

38(0.1) For the purposes of this section, “electronic filing” means using electronic media in a manner specified in writing by the Minister.

(b) by repealing subsection (2) and substituting the following:

(2) A notice of objection under this section must be served by being sent

(a) by registered mail addressed to the Minister, or

(b) by way of electronic filing.

(c) by adding the following after subsection (2):

(2.1) A notice of objection under this section that is sent by way of electronic filing is deemed to have been served on the day that the Minister acknowledges that the notice of objection has been received.

(3) Section 70 is repealed and the following is substituted:

Waiver or cancellation of penalties

70 Notwithstanding the *Financial Administration Act*, the Minister may, on application made by a person within 4 years from the end of the calendar year in which a penalty or interest is assessed against the person,

(a) waive or cancel all or any portion of any penalty or interest payable under this Act by the person, or

(b) refund all or any portion of any penalty or interest paid under this Act by the person.

(2) Section 38(2) presently reads:

(2) A notice of objection under this section must be served by being sent by registered mail addressed to the Minister.

(3) Section 70 presently reads:

70 Notwithstanding the Financial Administration Act, the Minister may, on application by a person against whom a penalty or interest is assessed within 4 calendar years from the end of the calendar year in which the penalty or interest is assessed,

(a) waive or cancel all or any portion of any penalty or interest payable under this Act by the person, or

(b) refund all or any portion of any penalty or interest paid under this Act by the person.

Tobacco Tax Act

Amends RSA 2000 cT-4

4(1) The *Tobacco Tax Act* is amended by this section.

(2) Section 11 is amended

(a) by adding the following before subsection (1):

Notice of objection

11(0.1) For the purposes of this section, “electronic filing” means using electronic media in a manner specified in writing by the Minister.

(b) by repealing subsection (2) and substituting the following:

(2) A notice of objection under this section must be served by being sent

(a) by registered letter addressed to the Minister, or

(b) by way of electronic filing.

(c) by adding the following after subsection (2):

(2.1) A notice of objection under this section that is sent by way of electronic filing is deemed to have been served on the day that the Minister acknowledges that the notice of objection has been received.

(3) Section 22.1 is amended

(a) by adding “made” after “application”;

(b) by striking out “4 calendar” and substituting “4”.

Tobacco Tax Act

4(1) Amends chapter T-4 of the Revised Statutes of Alberta 2000.

(2) Section 11(2) presently reads:

(2) A notice of objection under this section shall be served by being sent by registered letter addressed to the Minister.

(3) Section 22.1 presently reads:

22.1 Notwithstanding the Financial Administration Act, the Minister may, on application by a person within 4 calendar years from the end of the calendar year in which a penalty or interest is assessed against the person,

(a) waive or cancel all or any portion of any penalty or interest payable under this Act by the person, or

(b) refund all or any portion of any penalty or interest paid under this Act by the person.

Tourism Levy Act

Amends RSA 2000 cT-5.5

5(1) The *Tourism Levy Act* is amended by this section.

(2) Section 5 is amended by adding the following after subsection (1.2):

(1.3) If an operator has filed a waiver in a form established by the Minister within 4 years from the end of the calendar year in which a tourism levy became payable and

- (a) the operator has not revoked the waiver, the Minister may, in accordance with the terms of the waiver, assess the amount of the tourism levy payable under this section at any time, or
- (b) the operator has revoked the waiver, the Minister may, in accordance with the terms of the waiver, assess the amount of the tourism levy payable under this section within 6 months after the Minister receives notice of the revocation.

Tourism Levy Act

5(1) Amends chapter T-5.5 of the Revised Statutes of Alberta 2000.

(2) Section 5 presently reads:

5(1) The Minister may

- (a) assess any tourism levy payable by a purchaser under this Act within 4 years from the day the tourism levy became payable, and*
- (b) assess interest and penalties in addition to the tourism levy payable.*

(1.1) The Minister may

- (a) assess any tourism levy required to be remitted by an operator under this Act within 4 years from the day the tourism levy was required to be remitted, and*
- (b) assess interest and penalties in addition to the tourism levy required to be remitted.*

(1.2) Notwithstanding subsections (1) and (1.1), if a purchaser or an operator

- (a) has made any misrepresentation that is attributable to neglect, carelessness or wilful default,*
- (b) has committed a fraud in making a return or in supplying any information under this Act or a regulation under this Act, or*
- (c) has failed to disclose any relevant information,*

the Minister may assess any tourism levy payable or required to be remitted and assess interest and penalties at any time the Minister considers reasonable.

(2) Liability for a tourism levy imposed by this Act is not affected by an incorrect or incomplete assessment or by the fact that no assessment has been made.

(3) Section 13.1 is amended

- (a) by adding “made” after “application”;
- (b) by striking out “4 calendar” and substituting “4”.

(4) Section 16 is amended

- (a) by adding the following before subsection (1):

Notice of objection

16(0.1) For the purposes of this section, “electronic filing” means using electronic media in a manner specified in writing by the Minister.

- (b) by repealing subsection (2) and substituting the following:

(2) A notice of objection under this section must be served by being sent

- (a) by registered letter addressed to the Minister, or
- (b) by way of electronic filing.

- (c) by adding the following after subsection (2):

(2.1) A notice of objection under this section that is sent by way of electronic filing is deemed to have been served on the day that the Minister acknowledges that the notice of objection has been received.

(3) The Minister is not bound by a return or information delivered by or on behalf of any person under this Act and may, notwithstanding a return or information so delivered, or if no return or information has been delivered, assess the tourism levy payable under this Act.

(3) Section 13.1 presently reads:

13.1 Notwithstanding the Financial Administration Act, the Minister may, on application by a person within 4 calendar years from the end of the calendar year in which a penalty or interest is assessed against the person,

- (a) waive or cancel all or any portion of any penalty or interest payable under this Act by the person, or*
- (b) refund all or any portion of any penalty or interest paid under this Act by the person.*

(4) Section 16(2) presently reads:

(2) A notice of objection under this section shall be served by being sent by registered letter addressed to the Minister.

(5) The following is added after section 23:

Electronic filing of return

23.1(1) For the purposes of this section, “electronic filing” means using electronic media in a manner specified in writing by the Minister.

(2) An operator who meets the criteria specified in writing by the Minister may file a return for a collection period by way of electronic filing.

(3) A return of an operator for a collection period that is sent by way of electronic filing by an operator referred to in subsection (2) is deemed to have been filed on the day that the Minister acknowledges that the return has been received.

(5) Electronic filing of return.

RECORD OF DEBATE

Stage	Date	Member	From	To
Stage	Date	Member	From	To
Stage	Date	Member	From	To
Stage	Date	Member	From	To