

2019 Bill 10

First Session, 30th Legislature, 68 Elizabeth II

THE LEGISLATIVE ASSEMBLY OF ALBERTA

BILL 10

ALBERTA PERSONAL INCOME TAX AMENDMENT ACT, 2019

THE PRESIDENT OF TREASURY BOARD AND MINISTER OF FINANCE

First Reading

Second Reading

Committee of the Whole

Third Reading

Royal Assent

Bill 10

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2019

ALBERTA PERSONAL INCOME TAX AMENDMENT ACT, 2019

(Assented to , 2019)

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

Amends RSA 2000 cA-30

**1 The *Alberta Personal Income Tax Act* is amended by this
Act.**

**2 Section 8(2) is amended by adding the following after
clause (f):**

- (g) a reference to income for the year is to be read as a
reference to that income determined as if, in computing that
income, no amount were deductible under paragraph
20(1)(ww) of the federal Act.

**3 Section 9 is amended in the formula by repealing the
description of B and substituting the following:**

Explanatory Notes

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

2 Section 8(2) presently reads in part:

(2) The following rules apply for the purposes of subsection (1):

(f) if more than one individual is entitled to a deduction under subsection (1) because of clause (d) or (e) of the description of B in subsection (1) for a taxation year in respect of the same person,

(i) the total of all amounts so deductible for the year shall not exceed the maximum amount that would be so deductible for the year by any one of those individuals for that person if that individual were the only individual entitled to deduct an amount for the year because of clause (d) or (e) for that person, and

(ii) if the individuals cannot agree as to what portion of the amount each can so deduct, the Minister may fix the portions.

3 Section 9 presently reads:

B is 15% of the amount, if any, by which the individual's income for the year would exceed \$26 941 if, in computing that income, no amount were included in respect of a gain from a disposition of property to which section 79 of the federal Act applies and no amount were deductible under paragraph 20(1)(ww) of the federal Act.

4 Section 10(1) is amended in the formula by repealing the description of B and substituting the following:

B is the lesser of

- (a) \$1000, and
- (b) the total of
 - (i) the eligible pension income of the individual for the taxation year, and
 - (ii) the total of all amounts received by the individual in the year on account of a retirement income security benefit payable to the individual under Part 2 of the *Canadian Forces Members and Veterans Re-establishment and Compensation Act* (Canada).

5 Section 10(1) is amended in the formula by repealing clause (b)(ii) in the description of B and substituting the following:

- (ii) the total of all amounts received by the individual in the year on account of a retirement income security benefit

9 For the purpose of computing the tax payable under this Act for a taxation year by an individual who, before the end of the year, has attained the age of 65 years, there may be deducted the amount determined by the formula

$$A \times (\$3619 - B)$$

where

A is the specified percentage for the year;

B is 15% of the amount, if any, by which the individual's income for the year would exceed \$26 941 if no amount were included in respect of a gain from a disposition of property to which section 79 of the federal Act applies in computing that income.

4 Section 10(1) presently reads:

10(1) For the purpose of computing the tax payable under this Act for a taxation year by an individual, there may be deducted the amount determined by the formula

$$A \times B$$

where

A is the specified percentage for the year;

B is the lesser of \$1000 and

(a) where the individual has attained the age of 65 years before the end of the year, the pension income received by the individual in the year, and

(b) where the individual has not attained the age of 65 years before the end of the year, the qualified pension income received by the individual in the year.

5 Repeal and replace clause (b)(ii) in the description of B in the formula in section 10(1).

payable to the individual under Part 2 of the *Veterans Well-being Act* (Canada).

6 Section 10(1) is amended in the formula by repealing the description of B and substituting the following:

- B is the lesser of
- (a) \$1000, and
 - (b) the total of
 - (i) the eligible pension income of the individual for the taxation year,
 - (ii) the total of all amounts received by the individual in the year on account of a retirement income security benefit under Part 2 of the *Veterans Well-being Act* (Canada), and
 - (iii) the total of all amounts received by the individual in the year on account of an income replacement benefit payable to the individual under Part 2 of the *Veterans Well-being Act* (Canada) if the amount is determined under subsection 19.1(1), paragraph 23(1)(b) or subsection 26.1(1) of that Act, as modified, where applicable, under Part 5 of that Act.

7 Section 21 is amended

- (a) **by striking out “and” at the end of clause (i);**
- (b) **in clause (j) by striking out “and subsequent taxation years” and adding the following after clause (j):**
 - (j.1) for the 2018 taxation year
 - (i) the reference in paragraph (a) to “8/11” is to be read as “69/440”, and
 - (ii) the reference in paragraph (b) to “6/11” is to be read as “69/190”,

6 Repeal and replace the description of B in the formula in section 10(1).

7 Section 21 presently reads in part:

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

and

(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”.

and

(j.2) 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”.

8(1) Sections 2, 3 and 7 are deemed to have come into force on January 1, 2018.

(2) Section 4 is deemed to have come into force on January 1, 2015.

(3) Section 5 is deemed to have come into force on April 1, 2018.

(4) Section 6 is deemed to have come into force on April 1, 2019.

8 Coming into force.

