

2019 Bill 20

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First Session, 30th Legislature, 68 Elizabeth II

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THE LEGISLATIVE ASSEMBLY OF ALBERTA

# **BILL 20**

**FISCAL MEASURES AND  
TAXATION ACT, 2019**

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THE PRESIDENT OF TREASURY BOARD AND MINISTER OF FINANCE

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First Reading . . . . .

Second Reading . . . . .

Committee of the Whole . . . . .

Third Reading . . . . .

Royal Assent . . . . .

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## BILL 20

2019

### FISCAL MEASURES AND TAXATION ACT, 2019

(Assented to \_\_\_\_\_, 2019)

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

#### **Access to the Future Act**

##### **Disestablishment of Fund**

**1(1)** The Access to the Future Fund established in section 4(1) of the *Access to the Future Act* is disestablished.

**(2)** The assets of the Access to the Future Fund shall be held in, and the Fund's liabilities shall be assumed by, the General Revenue Fund.

##### **Deemed disestablishment of account**

**2(1)** The account from within the Alberta Heritage Savings Trust Fund that is deemed to be established in section 4(4) of the *Access to the Future Act* is deemed to be disestablished.

**(2)** The assets of the account referred to in subsection (1) shall be held in, and the account's liabilities shall be assumed by, the Alberta Heritage Savings Trust Fund.

##### **Repeals SA 2005 cA-1.5**

**3** The *Access to the Future Act* is repealed.



## **Alberta Cancer Prevention Legacy Act**

### **Disestablishment of Fund**

**4** The Alberta Cancer Prevention Legacy Fund established by the *Alberta Cancer Prevention Legacy Act* is disestablished and the Fund's assets shall be held in the General Revenue Fund.

### **Repeals SA 2006 cA-14.2**

**5** The *Alberta Cancer Prevention Legacy Act* is repealed.

## **Alberta Corporate Tax Act**

### **Amends RSA 2000 cA-15**

**6(1)** The *Alberta Corporate Tax Act* is amended by this section.

#### **(2) Section 26.6 is amended**

- (a)** in subsection (2) by adding “and before January 1, 2020” after “2008”;
- (b)** in subsection (3) by adding “before January 1, 2020” after “carried out in Alberta”;
- (c)** in subsection (4) by adding “and before January 1, 2020” after “2008”.

## Alberta Cancer Prevention Legacy Act

4 Disestablishment of Fund.

5 Repeals chapter A-14.2 of the Statutes of Alberta, 2006.

## Alberta Corporate Tax Act

6(1) Amends chapter A-15 of the Revised Statutes of Alberta 2000.

(2) Section 26.6 presently reads in part:

*(2) The eligible expenditures of a qualified corporation for a taxation year means the amount determined by the formula*

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

*where*

*A is the sum of those amounts included in federal expenditures of the corporation that are in respect of scientific research and experimental development carried out in Alberta after 2008,*

*B is the amount, if any, included in the sum determined under the definition of A that is in respect of a prescribed proxy amount included in federal expenditures of the corporation,*

*C is the Alberta proxy amount, if any, for the taxation year,*

*D is the amount, if any, in respect of an Alberta SR&ED tax credit that reduced federal expenditures of the corporation in the taxation year, and*

*E is the amount of a repayment, in the taxation year, of*

*(a) government assistance, other than an Alberta SR&ED tax credit, or*

**(3) Section 34(1) is amended by adding “138.2,” after “138.1,”.**

**(4) Section 62 is amended by striking out “In sections 63 to 65.1,” and substituting “In sections 63 to 65.2,”.**

(b) a contract payment

*referred to in paragraphs (e.1) and (e.2) in the definition of investment tax credit in subsection 127(9) of the federal Act that can reasonably be considered to relate to amounts referred to in the definition of A in the taxation year or any preceding taxation year.*

(3) *For the purposes of determining a corporation's eligible expenditures for a taxation year, the Alberta proxy amount is, subject to the limits on the calculation of the prescribed proxy amount in section 2900 of the federal regulations as it applies for the purposes of this Act, 55% of the salaries and wages used in the calculation of the prescribed proxy amount included in the federal expenditures of the corporation for the taxation year that were paid in respect of scientific research and experimental development carried out in Alberta.*

(4) *Amounts included in the calculation of A in subsection (2) may include an amount transferred to the corporation pursuant to an agreement filed under subsection 127(13) of the federal Act only if the amount would otherwise have been included in federal expenditures of the corporation or the transferor corporation for the same taxation year and was in respect of scientific research and experimental development carried out in Alberta after 2008.*

(3) Section 34(1) presently reads:

*34(1) Subject to subsections (1.1) to (3), the rules provided in sections 138, 138.1, 140 and 141.1 of the federal Act apply in computing the taxable income of insurance corporations for the purposes of this Act.*

(4) Section 62 presently reads:

*62 In sections 63 to 65.1,*

(a) *“authorized person” means a person authorized by the Provincial Minister for the purposes of sections 63 to 65;*

(b) *“documents” includes money, securities and records;*

**(5) The following is added after section 65.1:**

**Period for assessment**

**65.2** For the purpose of section 43(1), the following periods shall not be counted in the computation of the period within which an assessment may be made for a taxation year of a corporation:

- (a) where the corporation is served with notice of a demand under section 64(1), the period between the day on which an application for judicial review of the demand is filed and the day on which the application is finally disposed of;
- (b) where an application is commenced under section 65.1(1) for an order requiring the corporation to provide any access, assistance, information or document, the period between the day on which an application is served on the corporation and the day on which the application is finally disposed of.

**(6) Subsection (2) has effect on January 1, 2020.**

**(7) Subsection (3) has effect on January 1, 2018.**



(c) *“dwelling-house” means the whole or any part of a building or structure that is kept or occupied as a permanent or temporary residence and includes*

(i) *a building within the curtilage of a dwelling-house that is connected to it by a doorway or by a covered and enclosed passageway, and*

(ii) *a unit that is designed to be mobile and to be used as a permanent or temporary residence that is being used as a permanent or temporary residence;*

(d) *“judge” means a judge of the court.*

(5) Period for assessment.

(6) Coming into force.

(7) Coming into force.

**Alberta Heritage Savings Trust  
Fund Act**

**Amends RSA 2000 cA-23**

**7(1) The *Alberta Heritage Savings Trust Fund Act* is amended by this section.**

**(2) Section 9.1 is repealed.**

**Alberta Heritage Scholarship Act**

**Amends RSA 2000 cA-24**

**8(1) The *Alberta Heritage Scholarship Act* is amended by this section.**

**(2) Section 2(2.1) is repealed.**

**Alberta Personal Income Tax Act**

**Amends RSA 2000 cA-30**

**9(1) The *Alberta Personal Income Tax Act* is amended by this section.**

**(2) Section 6 is repealed.**

### **Alberta Heritage Savings Trust Fund Act**

**7(1)** Amends chapter A-23 of the Revised Statutes of Alberta 2000.

(2) Section 9.1 presently reads:

*9.1 The Minister may transfer into the Heritage Fund from the General Revenue Fund an amount not exceeding \$3 000 000 000 to be allocated to the account referred to in section 4(4) of the Access to the Future Act in amounts and in a manner considered appropriate by the Minister.*

### **Alberta Heritage Scholarship Act**

**8(1)** Amends chapter A-24 of the Revised Statutes of Alberta 2000.

(2) Section 2(2.1) presently reads:

*(2.1) The President of Treasury Board and Minister of Finance may pay into the Fund from the General Revenue Fund the increase referred to in section 7 of the Access to the Future Act, in accordance with that section and in a manner considered appropriate by the President of Treasury Board and Minister of Finance.*

### **Alberta Personal Income Tax Act**

**9(1)** Amends chapter A-30 of the Revised Statutes of Alberta 2000.

(2) Section 6 presently reads:

*6(1) For taxation years ending on or before December 31, 2014, the tax payable under this Act for a taxation year by an individual who*



*was resident in Alberta on the last day of the calendar year and had no business income outside Alberta in the taxation year is the amount determined by the formula*

$$A \times B$$

*where*

*A is the specified percentage for the year;*

*B is the individual's taxable income for the year.*

*(2) For taxation years ending on or before December 31, 2014, the tax payable under this Act for a taxation year by an individual who was resident in Alberta on the last day of the calendar year and had business income outside Alberta in the taxation year is the amount determined by the formula*

$$A \times B \times \frac{(C-D)}{C}$$

*where*

*A is the specified percentage for the year;*

*B is the individual's taxable income for the year;*

*C is the individual's income for the year as determined under section 1(1)(j)(i) or (iii), as the case may be;*

*D is the individual's business income outside Alberta for the year that is included in amount C.*

*(3) For taxation years ending on or before December 31, 2014, the tax payable under this Act for a taxation year by an individual who was resident in a province or territory other than Alberta on the last day of the calendar year and had business income in Alberta in the taxation year is the amount determined by the formula*

$$A \times B \times \frac{C}{D}$$

*where*

*A is the specified percentage for the year;*

*B is the individual's taxable income for the year;*



*C* is the individual's business income in Alberta for the year;

*D* is the individual's income for the year as determined under section 1(1)(j)(i) or (iii), as the case may be.

(4) For taxation years ending on or before December 31, 2014, the tax payable under this Act for a taxation year by an individual who

- (a) was resident in Alberta throughout part of the calendar year,
- (b) was not resident in any other province or territory after ceasing to be a resident of Alberta, and
- (c) was resident in a jurisdiction outside Canada on the last day of the calendar year,

is the amount determined by the formula

$$A \times B \times \frac{(C-D)}{C}$$

where

*A* is the specified percentage for the year;

*B* is the individual's taxable income for the year;

*C* is the individual's income for the year as determined under section 1(1)(j)(i);

*D* is the individual's business income outside Alberta for the year that is included in amount *C*.

(5) For taxation years ending on or before December 31, 2014, the tax payable under this Act for a taxation year by an individual who at no time in the year was resident in Canada is the amount determined by the formula

$$A \times B \times \frac{C}{D}$$

where

*A* is the specified percentage for the year;





*B* is the individual's taxable income earned in Canada for the year;

*C* is the total of the individual's income for the year earned in Alberta as determined under section 2602 of the federal regulation and the taxable capital gain from the disposition of taxable Alberta property as determined by the Alberta regulation;

*D* is the individual's income for the year as determined under section 1(1)(j)(ii).

(6) For taxation years ending on or before December 31, 2014, the tax payable under this Act for a taxation year by an individual who

(a) was resident in a jurisdiction outside Canada on the last day of the calendar year,

(b) was resident in a province or territory other than Alberta in the calendar year immediately prior to becoming a resident in a jurisdiction outside Canada, and

(c) had business income in Alberta in the taxation year

is the amount determined by the formula

$$A \times B \times \frac{C}{D}$$

where

*A* is the specified percentage for the year;

*B* is the individual's taxable income for the year;

*C* is the individual's business income in Alberta for the year;

*D* is the individual's income for the year as determined under section 1(1)(j)(i).

(7) In the case of an individual who died or became bankrupt during the calendar year, the words "calendar year" in subsections (1), (2), (3), (4) and (6) shall be read as "taxation year".

**(3) Section 6.1 is amended**

**(a) in subsection (1)**

**(i) by striking out** “Subject to subsection (2), for taxation years ending after December 31, 2014, the” **and substituting** “The”;

**(ii) in clause (a)**

**(A) by striking out** “\$125 000” **wherever it occurs and substituting** “\$131 220”;

**(B) by striking out** “\$150 000” **wherever it occurs and substituting** “\$157 464”;

**(C) by striking out** “\$200 000” **wherever it occurs and substituting** “\$209 952”;

**(D) by striking out** “\$300 000” **wherever it occurs and substituting** “\$314 928”;

**(b) by repealing subsection (2);**

**(c) in subsections (3) to (7) by striking out** “For taxation years ending after December 31, 2014, the” **and substituting** “The”;

**(d) in subsection (9) by striking out** “For taxation years ending after December 31, 2015, a trust” **and substituting** “A trust”.

(3) Section 6.1 presently reads in part:

*6.1(1) Subject to subsection (2), for taxation years ending after December 31, 2014, the tax payable under this Act for a taxation year by an individual who was resident in Alberta on the last day of the calendar year and had no business income outside Alberta in the taxation year is*

- (a) if the individual is an individual other than a trust subject to section 122 of the federal Act,*
  - (i) if the individual's taxable income is less than or equal to \$125 000, 10.0% of the individual's taxable income,*
  - (ii) if the individual's taxable income is greater than \$125 000 but less than or equal to \$150 000, the total of the highest amount that might be determined for an individual under subclause (i) and 12.0% of the amount by which the individual's taxable income exceeds \$125 000,*
  - (iii) if the individual's taxable income is greater than \$150 000 but less than or equal to \$200 000, the total of the highest amount that might be determined for an individual under subclause (ii) and 13.0% of the amount by which the individual's taxable income exceeds \$150 000,*
  - (iv) if the individual's taxable income is greater than \$200 000 but less than or equal to \$300 000, the total of the highest amount that might be determined for an individual under subclause (iii) and 14.0% of the amount by which the individual's taxable income exceeds \$200 000, and*
  - (v) if the individual's taxable income is greater than \$300 000, the total of the highest amount that might be determined for an individual under subclause (iv) and 15.0% of the amount by which the individual's taxable income exceeds \$300 000;*

*(2) For the purposes of calculating tax payable under this Act for taxation years ending after December 31, 2014 and on or before December 31, 2015,*

- (a) the reference in subsection (1)(a)(ii) to "12.0%" shall be read as a reference to "10.5%";*
- (b) the reference in subsection (1)(a)(iii) to "13.0%" shall be read as a reference to "10.75%";*



- (c) *the reference in subsection (1)(a)(iv) to “14.0%” shall be read as a reference to “11%”;*
- (d) *the reference in subsection (1)(a)(v) to “15.0%” shall be read as a reference to “11.25%”.*

*(3) For taxation years ending after December 31, 2014, the tax payable under this Act for a taxation year by an individual who was resident in Alberta on the last day of the calendar year and had business income outside Alberta in the taxation year is the amount determined by the formula*

$$T x (C - D) / C$$

*where*

- T is the tax that would be payable if subsection (1) applied to the individual for the taxation year;*
- C is the individual’s income for the year as determined under section 1(1)(j)(i) or (iii), as the case may be;*
- D is the individual’s business income outside Alberta for the year that is included in amount C.*

*(4) For taxation years ending after December 31, 2014, the tax payable under this Act for a taxation year by an individual who was resident in a province or territory other than Alberta on the last day of the calendar year and had business income in Alberta in the taxation year is the amount determined by the formula*

$$T x C / D$$

*where*

- T is the tax that would be payable if subsection (1) applied to the individual for the taxation year;*
- C is the individual’s business income in Alberta for the year;*
- D is the individual’s income for the year determined under section 1(1)(j)(i) or (iii), as the case may be.*

*(5) For taxation years ending after December 31, 2014, the tax payable under this Act for a taxation year by an individual who*

- (a) was resident in Alberta throughout part of the calendar year,*



- (b) was not resident in any other province or territory after ceasing to be a resident of Alberta, and
- (c) was resident in a jurisdiction outside Canada on the last day of the calendar year,

is the amount determined by the formula

$$T \times (C - D) / C$$

where

- T* is the tax that would be payable if subsection (1) applied to the individual for the taxation year;
- C* is the individual's income for the year as determined under section 1(l)(j)(i);
- D* is the individual's business income outside Alberta for the year that is included in amount C.

(6) For taxation years ending after December 31, 2014, the tax payable under this Act for a taxation year by an individual who at no time in the year was resident in Canada is the amount determined by the formula

$$T \times C / D$$

where

- T* is the tax that would be payable if subsection (1) applied to the individual for the taxation year and the individual's taxable income for the year was equal to the individual's taxable income earned in Canada for the year;
- C* is the total of the individual's income for the year earned in Alberta as determined under section 2602 of the federal regulation and the taxable capital gain from the disposition of taxable Alberta property as determined by the Alberta regulation;
- D* is the individual's income for the year as determined under section 1(l)(j)(ii).

(7) For taxation years ending after December 31, 2014, the tax payable under this Act for a taxation year by an individual who





- (a) was resident in a jurisdiction outside Canada on the last day of the calendar year,
- (b) was resident in a province or territory other than Alberta in the calendar year immediately prior to becoming a resident in a jurisdiction outside Canada, and
- (c) had business income in Alberta in the taxation year

is the amount determined by the formula

$$T \times C/D$$

where

- T* is the tax that would be payable if subsection (1) applied to the individual for the taxation year;
- C* is the individual's business income in Alberta for the year;
- D* is the individual's income for the year as determined under section 1(1)(j)(i).

(9) For taxation years ending after December 31, 2015, a trust that was resident on the last day of the calendar year and is subject to tax pursuant to paragraph 122(1)(c) of the federal Act shall pay an additional tax for the year for the purposes of this Act equal to the amount determined by the formula

$$A - B$$

where

- A* is the amount that would be determined for *B* for the year if
  - (i) the rate of tax payable under this Act by the trust for each taxation year referred to in the description of *B* were 15.0%, and
  - (ii) the trust's taxable income for a particular taxation year referred to in the description of *B* were reduced by the total of
    - (A) the amount, if any, that was paid or distributed in satisfaction of all or part of an individual's interest as a beneficiary under the trust if

**(4) Section 7 is amended by striking out “6 or”.**

- (I) *the individual was an electing beneficiary, as defined by the federal Act, of the trust for the particular year,*
  - (II) *the payment or distribution can reasonably be considered to be made out of that taxable income, and*
  - (III) *the payment or distribution was made in a taxation year referred to in the description of B,*
  - (B) *the amount that is the portion of the tax payable under the federal Act by the trust for the particular year that can reasonably be considered to relate to the amount determined under paragraph (A), and*
  - (C) *the amount that is the portion of the tax payable under the law of the province in which the trust is resident for the particular year, that can reasonably be considered to relate to the amount determined under paragraph (A);*
- B is the total of all amounts each of which is the amount of tax payable under this Act by the trust for a taxation year that precedes the year if that preceding taxation year is*
- (i) *the later of*
    - (A) *the first taxation year for which the trust was a qualified disability trust, and*
    - (B) *the last taxation year, if any, for which subsection 122(2) of the federal Act applied to the trust,*
  - or*
  - (ii) *a taxation year that ends after the taxation year described in subclause (i).*

(4) Section 7 presently reads:

*7 The amounts that may be deducted under this Division and Division 6 may be deducted only from the amount of tax payable under section 6 or 6.1, except that amounts under sections 21 and 23 may also be deducted from tax payable under section 47.*

**(5) Section 8(1) is amended**

- (a) in clauses (a), (b) and (c) by striking out “\$14 899” wherever it occurs and substituting “\$19 369”;**
- (b) in clause (d)**
  - (i) by striking out “\$24 229” and substituting “\$29 038”;**
  - (ii) by striking out “\$14 874” and substituting “\$17 826”;**
- (c) in clause (e)**
  - (i) by striking out “\$15 535” and substituting “\$18 619”;**
  - (ii) by striking out “\$6180” and substituting “\$7407”.**

(5) Section 8(1) presently reads in part:

*8(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 x B*

*where*

*A is the specified percentage for the year;*

*B is the total of*

(a) *in the case of an individual who at any time in the year is a married person or a person who is in a common-law partnership who supports the individual's spouse or common-law partner and is not living separate and apart from the spouse or common-law partner because of a breakdown of their marriage or common-law partnership, an amount equal to the total of*

(i) *\$14 899, and*

(ii) *an amount determined by the formula*

*\$14 899 – C*

*where*

*C is the income of the individual's spouse or common-law partner for the year or, where the individual and the individual's spouse or common-law partner are living separate and apart at the end of the year because of a breakdown of their marriage or common-law partnership, the spouse's or common-law partner's income for the year while married or in the common-law partnership and not so separated,*

(b) *in the case of an individual who does not claim a deduction for the year under clause (a) and who, at any time in the year,*

(i) *is*

(A) *a person who is unmarried and who does not live in a common-law partnership, or*



- (B) *a person who is married or in a common-law partnership, who neither supported nor lived with his or her spouse or common-law partner and who is not supported by that spouse or common-law partner, and*
- (ii) *whether alone or jointly with one or more other persons, maintains a self-contained domestic establishment (in which the individual lives) and actually supports in that establishment a person who, at that time, is*
  - (A) *except in the case of a child of the individual, resident in Canada,*
  - (B) *wholly dependent for support on the individual, or on the individual and the other person or persons, as the case may be,*
  - (C) *related to the individual, and*
  - (D) *except in the case of a parent or grandparent of the individual, either under 18 years of age or so dependent because of mental or physical infirmity,*

*an amount equal to the total of*

  - (iii) *\$14 899, and*
  - (iv) *an amount determined by the formula*

$$\$14\,899 - D$$

*where*

*D is the income for the year of the dependent person,*
- (c) *except in the case of an individual entitled to a deduction under clause (a) or (b), \$14 899,*
- (d) *in the case of an individual who, at any time in the year alone or jointly with one or more persons, maintains a self-contained domestic establishment that is the ordinary place of residence of the individual and of a particular person*
  - (i) *who has attained the age of 18 years before that time,*
  - (ii) *who*

**(6) Section 9 is amended**

- (a) by striking out “\$3619” and substituting “\$5397”;**
- (b) by striking out “\$26 941” and substituting “\$40 179”.**



- (A) *is the individual's child or grandchild, or*
- (B) *is resident in Canada and is the parent, grandparent, brother, sister, aunt, uncle, nephew or niece of the individual or of the individual's spouse or common-law partner, and*

(iii) *who*

- (A) *in the case of the individual's parent or grandparent, has attained the age of 65 years before that time, or*
- (B) *in the case of any of the relatives referred to in subclause (ii), is dependent on the individual because of that particular person's mental or physical infirmity,*

*the amount determined by the formula*

*\$24 229 – D.1*

*where*

*D.1 is the greater of \$14 874 and the particular person's income for the year,*

(e) *for each dependant of the individual for the year who*

- (i) *attained the age of 18 years before the end of the year, and*
- (ii) *was dependent on the individual because of mental or physical infirmity,*

*the amount determined by the formula*

*\$15 535 – E*

*where*

*E is the greater of \$6180 and the income for the year of the dependant, and*

(6) Section 9 presently reads:

*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*

**(7) Section 10(1) is amended by striking out “\$1000” and substituting “\$1491”.**

*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, 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.*

(7) 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*

*(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*

**(8) Section 12(1) is amended by striking out “\$1865” wherever it occurs and substituting “\$2503”.**

**(9) Section 13(2) is amended**

- (a) by striking out “\$12 466” and substituting “\$14 940”;**
- (b) by striking out “\$9355” and substituting “\$11 212”;**
- (c) by striking out “\$2050” and substituting “\$3057”.**

*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.*

(8) Section 12(1) presently reads:

*12(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*

$$A \times [(B - C) + D]$$

*where*

*A is the specified percentage for the year;*

*B is the amount determined in the description of B in subsection 118.2(1) of the federal Act;*

*C is the lesser of \$1865 and 3% of the individual's income for the taxation year;*

*D is the total of all amounts each of which is, in respect of a dependant of the individual (within the meaning assigned by subsection 118(6) of the federal Act, other than a child of the individual who has not attained the age of 18 years before the end of the taxation year), determined by the formula*

$$E - F$$

*where*

*E is the amount determined in the description of E in subsection 118.2(1) of the federal Act;*

*F is the lesser of \$1865 and 3% of the dependant's income for the taxation year.*

(9) Section 13(2) presently reads:

*(2) Where an individual is entitled to deduct an amount under subsection 118.3(1) of the federal Act for the purpose of computing the individual's tax payable for a taxation year under Part I of the federal Act, for the purpose of computing the tax payable under this*

**(10) Section 13.1(2) is amended by striking out “\$10 000” and substituting “\$13 247”.**

*Act for a taxation year by the individual, or that would be so payable if the individual were liable under section 3 to pay tax for the year, there may be deducted an amount determined by the formula*

$$A \times (\$12\,466 + B)$$

*where*

*A is the specified percentage for the year;*

*B is*

*(a) where the individual has not attained the age of 18 years before the end of the year, the amount, if any, by which*

*(i) \$9355*

*exceeds*

*(ii) the amount, if any, by which*

*(A) the total of all amounts each of which is an amount paid in the year for the care or supervision of the individual and included in computing a deduction under section 63 or 64 of the federal Act or section 12 of this Act for a taxation year*

*exceeds*

*(B) \$2050, and*

*(b) in any other case, \$0.*

(10) Section 13.1(2) presently reads:

*(2) For the purpose of computing the tax payable under this Act by an individual for the taxation year that includes the end of the adoption period in respect of an eligible child of the individual, there may be deducted the amount determined by the formula*

$$A \times B$$

*where*

**(11) Section 15 is repealed.**

**(12) Section 16 is repealed.**



*A* is the specified percentage for the year, and

*B* is the lesser of

(a) \$10 000, and

(b) the amount determined by the formula

$C - D$

where

*C* is the total of all eligible adoption expenses in respect of the eligible child, and

*D* is the total of all amounts each of which is the amount of a reimbursement or any other form of assistance (other than an amount that is included in computing the individual's income and that is not deductible in computing the individual's taxable income) that any individual is or was entitled to receive in respect of an amount included in computing the value of *C*.

(11) Section 15 presently reads:

*15* Section 118.5 of the federal Act applies for the purposes of this Act, except that references to "the appropriate percentage for the year" are to be read as "the specified percentage for the year".

(12) Section 16 presently reads:

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

$A \times B$

where

*A* is the specified percentage for the year;

*B* is the total of the products obtained when

**(13) 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

$$A - B$$

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 amount that the individual may deduct under subsection (1.1) for the year.

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

**(2)** Notwithstanding subsection (1), if an individual was not resident in Alberta on the last day of the preceding taxation year, the amount of the individual's unused tuition and education credits at the end of that year is deemed to equal \$0.

(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.

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

(13) Section 17 presently reads in part:

*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.*

**(14) Section 20 is repealed.**

*(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.*

(14) Section 20 presently reads:

*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".*

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

*(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,*

*(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", and*

*(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".*

*(2) Section 118.9 of the federal Act applies for the purposes of this Act except that the reference to "tuition tax credit" is to be read as "tuition and education tax credits".*

*(3) In applying sections 118.8, 118.81 and 118.9 of the federal Act for the purposes of this section, where a spouse or common-law partner or individual did not reside in Alberta on the last day of the calendar year, any credits transferred by the spouse or common-law partner or individual to another individual for the year under this section are to be computed on the basis that the spouse or common-law partner or individual were liable under section 3 to pay tax for the year. credits at the end of that year under subsections 118.61(1) and (2) of the federal Act if the percentage applied under section 118.5 of that Act in computing the individual's tuition and education credits had, at all material times, been the specified*

**(15) Section 21 is repealed and the following is substituted:**

**Deduction for taxable dividends**

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

- (a) for the 2019 and 2020 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”,
  - (b) for the 2021 taxation year
    - (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 “114/347”,
- and
- (c) for the 2022 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 “227/770”.

*percentage instead of the appropriate percentage as defined in that Act.*

(15) Section 21 presently reads:

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

*(a) for the 2006 taxation year*

*(i) the reference in paragraph (a) to “2/3” is to be read as “30%”, and*

*(ii) the reference in paragraph (b) to “11/18” is to be read as “24.17%”,*

*(b) for the 2007 taxation year*

*(i) the reference in paragraph (a) to “2/3” is to be read as “27.5%”, and*

*(ii) the reference in paragraph (b) to “11/18” is to be read as “25.78%”,*

*(c) for the 2008 taxation year*

*(i) the reference in paragraph (a) to “2/3” is to be read as “22.5%”, and*

*(ii) the reference in paragraph (b) to “11/18” is to be read as “29%”,*

*(d) for the 2009 taxation year*

*(i) the reference in paragraph (a) to “2/3” is to be read as “7/40”, and*

*(ii) the reference in paragraph (b) to “11/18” is to be read as “29/90”,*

*(e) for the 2010 taxation year*

*(i) the reference in paragraph (a) to “2/3” is to be read as “7/40”, and*





- (ii) *the reference in paragraph (b) to “10/17” is to be read as “18/55”,*
- (f) *for the 2011 taxation year*
  - (i) *the reference in paragraph (a) to “2/3” is to be read as “7/40”, and*
  - (ii) *the reference in paragraph (b) to “13/23” is to be read as “141/410”,*
- (g) *for the 2012 and 2013 taxation years*
  - (i) *the reference in paragraph (a) to “2/3” is to be read as “7/40”, and*
  - (ii) *the reference in paragraph (b) to “6/11” is to be read as “69/190”,*
- (h) *for the 2014 and 2015 taxation years*
  - (i) *the reference in paragraph (a) to “13/18” is to be read as “13/64”, and*
  - (ii) *the reference in paragraph (b) to “6/11” is to be read as “69/190”,*
- (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 “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”,*
- (j.1) *for the 2018 taxation year*
  - (i) *the reference in paragraph (a) to “8/11” is to be read as “69/440”, and*

**(16) Section 23(3) is amended by striking out “6(4) or”.**

**(17) Section 25 is repealed.**

(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”.*

(16) Section 23(3) presently reads:

*(3) In the case of an individual referred to in section 6(4) or 6.1(5), the words “last day of a taxation year” in subsection (1) shall be read as “last day in the taxation year on which the individual resided in Canada”.*

(17) Section 25 presently reads:

*25(1) In this section,*

(a) *“Alberta ACRI” is the product obtained when the attributed Canadian royalty income of an individual for a taxation year is multiplied by the proportion that the individual’s resource income earned in Alberta for the year as determined in accordance with Part XXVI of the federal regulation is of the individual’s total resource income for the year;*

(b) *“Alberta basic tax rate” of an individual for a taxation year means the specified percentage for the year;*

(c) *“attributed Canadian royalty income” of an individual for a taxation year means the amount, if any, by which the aggregate of*

(i) *the amounts required to be included in computing the individual’s income for the year by virtue of paragraph 12(1)(o) of the federal Act,*

(ii) *the amounts 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 other than amounts described in the definition of “Canadian development expense” in subsection 66.2(5) of the federal Act or the definition of “Canadian oil and gas property expense” in subsection 66.4(5) of the federal Act,*

- (iii) any amounts by which the fair market value, as determined under subsection 69(8) of the federal Act, of petroleum, natural gas or related hydrocarbons or metal or minerals disposed of under dispositions referred to in subsection 69(6) of the federal Act exceeds the proceeds of disposition, if any, actually received by the individual in respect of the petroleum, natural gas or related hydrocarbons or metal or minerals so disposed of,*
- (iv) any amounts by which the amount referred to in subsection 69(7) of the federal Act in respect of acquisitions of petroleum, natural gas or related hydrocarbons or metal or minerals referred to in that subsection exceeds the fair market value, as determined under subsection 69(9) of the federal Act, of the petroleum, natural gas or related hydrocarbons or metal or minerals so acquired, and*
- (v) any amount that would be deemed to have been payable in the year by a trust to the individual as beneficiary of the trust under subsection 104(29) of the federal Act*  
*exceeds the aggregate of*
  - (vi) the amount of reimbursement received by the individual under the terms of a contract, where the reimbursement was for an amount paid or payable by the individual that is required to be included in computing the individual's income or denied as a deduction in that computation by virtue of paragraph 12(1)(o) or 18(1)(m) of the federal Act, and*
  - (vii) the amount deducted by the individual under paragraph 20(1)(v.1) of the federal Act in the computation of income for the year;*
- (d) “resource income” means the amount of resource profits as defined in subsection 1204(1.1) of the federal regulation that is reasonably attributable to production from oil and gas wells or bituminous sands deposits, oil sands deposits or coal*



*deposits or to any right, licence or privilege to explore for, drill for or recover petroleum or natural gas or to explore for, mine, quarry, remove, treat or process bituminous sands or oil sands or to win or work mines, seams or beds of coal;*

(e) *“royalty tax rebate” means a rebate to which an individual is entitled under this section.*

(2) *If an individual disposes of property to a corporation in a transaction referred to in section 20(8) of the Alberta Corporate Tax Act, the individual may not use any of the attributed Canadian royalty income included by the corporation in the amount referred to in section 20(8)(a) of that Act in determining the individual’s royalty tax rebate for the year of disposition or a subsequent taxation year.*

(3) *An individual is entitled, subject to this section, to a royalty tax rebate in respect of a taxation year in an amount equal to the lesser of*

(a) *the product obtained when the sum of*

(i) *the individual’s Alberta ACRI carried forward from the immediately preceding taxation year, and*

(ii) *the individual’s Alberta ACRI for the year*

*is multiplied by the individual’s Alberta basic tax rate for the year, and*

(b) *the individual’s tax otherwise payable under this Act for the year.*

(4) *For the purpose of computing the tax payable under this Act for a taxation year by an individual, there may be deducted the individual’s royalty tax rebate for the year.*

(5) *Subject to subsection (6), if there is insufficient tax payable under section 6 by an individual for a taxation year (referred to as the carried forward year) to fully use the royalty tax rebate for the year as calculated under subsection (3), the Alberta ACRI carried forward to the immediately succeeding taxation year is the difference between*

(a) *the sum of the amounts referred to in subsection (3)(a)(i) and (ii) in respect of the carried forward year, and*

**(18) Section 26(1) is amended**

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



(b) *the royalty tax rebate for the carried forward year divided by the Alberta basic tax rate.*

(5.1) *Subject to subsection (5.2), an individual's Alberta ACRI carried forward amount expires on December 31, 2013.*

(5.2) *The royalty tax rebate in respect of income from a business or a partnership with a fiscal period that begins in 2013 and ends in 2014 is that proportion of the royalty tax rebate for the year as otherwise determined that the number of days in the taxation year of the business or partnership in 2013 bears to the number of days in the taxation year.*

(6) *An individual's Alberta ACRI carried forward from the 2000 to the 2001 taxation year is the product of the individual's attributed Canadian royalty income that has been carried forward at December 31, 2000 after the royalty tax rebate for that year, and the average of the proportion of the individual's resource income allocated to Alberta in each of the last 5 years.*

(7) *Despite subsection (5), an individual is not entitled to carry forward the individual's attributed Canadian royalty income for a taxation year under that subsection unless the individual either had a permanent establishment in Alberta at some time during that year or was resident in Alberta on the last day of that year.*

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

(a) *with the individual's return for that taxation year, or*

(b) *within 3 years after the end of the taxation year.*

(9) *If the date of mailing of a notice of assessment or reassessment in respect of an individual's taxation year is more than 33 months after the end of that taxation year, the individual may file an application for the royalty tax rebate 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.*

(18) Section 26(1) presently reads in part:

*26(1) In this section,*

- (a) “Alberta rate” means, in respect of a taxation year, the rate, expressed as a percentage, calculated by multiplying the rate for the year as provided by the description of A in section 6.1(1)(b) by 1/2;

**(b) by repealing clause (d) and substituting the following:**

- (d) “refundable capital gains tax on hand” of a mutual fund trust at the end of a taxation year means the amount, if any, by which
  - (i) the aggregate of amounts each of which is an amount in respect of that or any previous taxation year throughout which it was a mutual fund trust, equal to the least of
    - (A) the product obtained by multiplying its taxable income for the year by the rate for the year as provided by the description of A in section 6.1(1)(b),
    - (B) the product obtained by multiplying its taxed capital gains for the year by the rate for the year as provided by the description of A in section 6.1(1)(b), and
    - (C) the tax payable under this Part by it for the year, exceeds
  - (ii) the aggregate of amounts each of which is an amount in respect of any previous taxation year throughout which it was a mutual fund trust, equal to its tax refund determined under subsection (3) for the year;

- (a) *“Alberta rate” means*
- (i) *in respect of a taxation year ending on or before December 31, 2014, the rate, expressed as a percentage, calculated by multiplying the specified percentage for the year by 1/2, and*
  - (ii) *in respect of a taxation year ending after December 31, 2014, the rate, expressed as a percentage, calculated by multiplying the rate for the year as provided by the description of A in section 6.1(1)(b) by 1/2;*
- (d) *“refundable capital gains tax on hand” of a mutual fund trust at the end of a taxation year means the amount, if any, by which*
- (i) *the aggregate of amounts each of which is an amount in respect of that or any previous taxation year throughout which it was a mutual fund trust, equal to the least of,*
    - (A) *where the taxation year ended on or before December 31, 2014,*
      - (I) *the product obtained by multiplying its taxable income for the year by the specified percentage for the year,*
      - (II) *the product obtained by multiplying its taxed capital gains for the year by the specified percentage for the year, and*
      - (III) *where the taxation year ended after May 6, 1974, the tax payable under this Part by it for the year,*
    - or*
    - (B) *where the taxation year ended after December 31, 2014,*
      - (I) *the product obtained by multiplying its taxable income for the year by the rate for the year as provided by the description of A in section 6.1(1)(b),*
      - (II) *the product obtained by multiplying its taxed capital gains for the year by the rate for the year as*

**(19) Section 27 is amended**

**(a) in subsection (2)**

- (i) by striking out “6(2) or” wherever it occurs;**
- (ii) by striking out “, as the case may be”;**

**(b) in subsection (3)**

- (i) by striking out “6(3) or” wherever it occurs;**
- (ii) by striking out “, as the case may be”;**

**(c) in subsection (4)**

- (i) by striking out “6(4) or” wherever it occurs;**
- (ii) by striking out “, as the case may be”;**

**(d) in subsection (5)**

- (i) by striking out “6(5) or” wherever it occurs;**
- (ii) by striking out “, as the case may be”;**

**(e) in subsection (6)**

- (i) by striking out “6(6) or” wherever it occurs;**
- (ii) by striking out “, as the case may be”.**

*provided by the description of A in section 6.1(1)(b), and*

*(III) the tax payable under this Part by it for the year, exceeds*

*(ii) the aggregate of amounts each of which is an amount in respect of any previous taxation year throughout which it was a mutual fund trust, equal to its tax refund determined under subsection (3) for the year;*

(19) Section 27 presently reads in part:

*(2) The amount calculated for the purposes of subsection (1) in respect of an individual referred to in section 6(2) or 6.1(3) is the amount determined by multiplying the amount calculated under subsection (1) by the formula*

$$\frac{C - D}{C}$$

*where C and D are the individual's amounts for the year as described in section 6(2) or 6.1(3), as the case may be.*

*(3) The amount calculated for the purposes of subsection (1) in respect of an individual referred to in section 6(3) or 6.1(4) is the amount determined by multiplying the amount calculated under subsection (1) by the formula*

$$\frac{C}{D}$$

*where C and D are the individual's amounts for the year as described in section 6(3) or 6.1(4), as the case may be.*

*(4) The amount calculated for the purposes of subsection (1) in respect of an individual referred to in section 6(4) or 6.1(5) is the amount determined by multiplying the amount calculated under subsection (1) by the formula*

$$\frac{C - D}{C}$$

*where C and D are the individual's amounts for the year as described in section 6(4) or 6.1(5), as the case may be.*

**(20) The heading following section 27 is repealed and the following is substituted:**

**Division 4  
Child and Family Benefit**

**(21) Section 28(d) is amended by striking out “section 30” and substituting “section 30.2”.**

**(22) Sections 29, 30 and 30.1 are repealed.**

(5) *The amount calculated for the purposes of subsection (1) in respect of an individual referred to in section 6(5) or 6.1(6) is the amount determined by multiplying the amount calculated under subsection (1) by the formula*

$$\frac{C}{D}$$

*where C and D are the individual's amounts for the year as described in section 6(5) or 6.1(6), as the case may be.*

(6) *The amount calculated for the purposes of subsection (1) in respect of an individual referred to in section 6(6) or 6.1(7) is the amount determined by multiplying the amount calculated under subsection (1) by the formula*

$$\frac{C}{D}$$

*where C and D are the individual's amounts for the year as described in section 6(6) or 6.1(7), as the case may be.*

(20) The heading following section 27 presently reads:

*Division 4  
Family Employment Tax Credit*

(21) Section 28 presently reads in part:

28 *In this Division,*

(d) *“overpayment” means an overpayment that an individual is deemed to have made under section 30.*

(22) Sections 29, 30, and 30.1 presently read:

29 *This Division applies to overpayments deemed to have been made in January 2001 and later months.*

30(1) *An eligible individual is deemed to have made an overpayment in a month on account of the eligible individual's liability under this Act for the base taxation year in relation to that month if*





- (a) *the eligible individual has filed a return of income for the base taxation year, and*
- (b) *the eligible individual was resident in Alberta at the beginning of the month and on the last day of the immediately preceding month.*

*(2) Subject to subsection (3), the amount that an eligible individual is deemed to have overpaid in a month is determined by the formula:*

$$\frac{1}{12} (A - B)$$

*where*

*A is the least of the following:*

- (a) *whichever of the following applies, depending on the number of qualified dependants:*
  - (i) *if the person was an eligible individual at the beginning of the month in respect of only one qualified dependant, \$728;*
  - (ii) *if the person was an eligible individual at the beginning of the month in respect of more than one qualified dependant, the total of*
    - (A) *\$728 for the first qualified dependant,*
    - (B) *\$662 for the 2nd qualified dependant,*
    - (C) *\$397 for the 3rd qualified dependant, and*
    - (D) *\$132 for each of the 4th and subsequent qualified dependants;*
- (b) *11% of the amount, if any, by which the eligible individual's adjusted earned income for the base taxation year in relation to the month exceeds \$2760;*
- (c) *\$1919;*

*B is 4% of the amount, if any, by which the eligible individual's adjusted income for the base taxation year in relation to the month exceeds \$41 250.*



*(2.1) Notwithstanding subsection (2), if an eligible individual is a shared-custody parent in respect of one or more qualified dependants at the beginning of a month, the overpayment deemed by subsection (2) to have arisen during that month is equal to the amount determined by the formula*

$$1/2 \times (A + B)$$

*where*

*A is the amount determined by the formula in subsection (2) calculated without reference to this subsection, and*

*B is the amount determined by the formula in subsection (2) calculated without reference to this subsection and subparagraph (b)(ii) of the definition of “eligible individual” in section 122.6 of the federal Act.*

*(3) If the total amount that an eligible individual is deemed to have overpaid during a 12-month period from July of one year to June of the next year would be, except for this subsection, greater than \$0 and less than \$10, the total amount that the eligible individual is deemed to have overpaid during that 12-month period is \$10.*

*30.1(1) Effective July 1, 2016, an eligible individual who is deemed to have made an overpayment in respect of a month pursuant to section 30(1) is deemed to have made an additional overpayment for the month as calculated in accordance with this section.*

*(2) Subject to subsection (4), the additional amount that an eligible individual is deemed to have overpaid in a month is determined by the formula:*

$$\frac{1}{12} \times (A - B)$$

*where*

*A is whichever of the following applies, depending on the number of qualified dependants:*

*(a) if the person was an eligible individual at the beginning of the month in respect of only one qualified dependant, \$1100;*



(b) if the person was an eligible individual at the beginning of the month in respect of more than one qualified dependant, the total of

(i) \$1100 for the first qualified dependant,

(ii) \$550 for the 2nd qualified dependant,

(iii) \$550 for the 3rd qualified dependant, and

(iv) \$550 for the 4th qualified dependant;

*B* is a percentage of the amount, if any, by which the eligible individual's adjusted income for the base taxation year in relation to the month exceeds \$25 500, where that percentage is defined as

(a) 7.0% where the eligible individual has one qualified dependant,

(b) 10.5% where the eligible individual has 2 qualified dependants,

(c) 14.0% where the eligible individual has 3 qualified dependants, and

(d) 17.5% where the eligible individual has 4 qualified dependants.

(3) Notwithstanding subsection (2), if an eligible individual is a shared custody parent in respect of one or more qualified dependants at the beginning of a month, the overpayment deemed by subsection (2) to have arisen during that month is equal to the amount determined by the formula

$$1/2 \times (A + B)$$

where

*A* is the amount determined by the formula in subsection (2) calculated without reference to this subsection, and

*B* is the amount determined by the formula in subsection (2) calculated without reference to this subsection and subparagraph (b)(ii) of the definition of "eligible individual" in section 122.6 of the federal Act.

**(23) The following is added before section 31:**

**Child and family benefit**

**30.2(1)** An eligible individual is deemed to have made an overpayment in a month on account of the eligible individual's liability under this Act for the base taxation year in relation to that month if

- (a) the eligible individual has filed a return of income for the base taxation year, and
- (b) the eligible individual was resident in Alberta at the beginning of the month and on the last day of the immediately preceding month.

**(2)** Subject to subsection (4), the amount that an eligible individual is deemed to have overpaid in a month is determined by the formula

$$A + B$$

where

A is the positive amount, if any, determined by the formula

$$\frac{(C - D)}{12}$$

where

C is the lesser of

- (a) if the person was an eligible individual at the beginning of the month in respect of one or more qualified dependants, the total of
  - (i) \$681 for the first qualified dependant,

*(4) If the total amount that an eligible individual is deemed to have overpaid during a 12-month period from July of one year to June of the next year would be, except for this subsection, greater than \$0 and less than \$10, the total amount that the eligible individual is deemed to have overpaid during that 12-month period is \$10.*

(23) Child and family benefit; repayment resulting from death; transitional.

- (ii) \$620 for the 2nd qualified dependant,
  - (iii) \$371 for the 3rd qualified dependant, and
  - (iv) \$123 for the 4th qualified dependant,
- and

- (b) the amount, if any, by which the eligible individual's adjusted earned income for the base taxation year in relation to the month exceeds \$2760, multiplied by 15%;

D is the amount, if any, by which the eligible individual's adjusted income for the base taxation year in relation to the month exceeds \$41 000, multiplied by

- (a) 3.40% where the eligible individual has one qualified dependant,
- (b) 6.49% where the eligible individual has 2 qualified dependants,
- (c) 8.34% where the eligible individual has 3 qualified dependants, and
- (d) 8.95% where the eligible individual has 4 or more qualified dependants;

B is the positive amount, if any, determined by the formula

$$\frac{(E - F)}{12}$$

where

E is, if the person was an eligible individual at the beginning of the month in respect of one or more qualified dependants, the total of

- (a) \$1330 for the first qualified dependant,
- (b) \$665 for the 2nd qualified dependant,





(c) \$665 for the 3rd qualified dependant, and

(d) \$665 for the 4th qualified dependant;

F is the amount, if any, by which the eligible individual's adjusted income for the base taxation year in relation to the month exceeds \$24 467, multiplied by

(a) 8.05% where the eligible individual has one qualified dependant,

(b) 12.07% where the eligible individual has 2 qualified dependants,

(c) 16.09% where the eligible individual has 3 qualified dependants, and

(d) 20.11% where the eligible individual has 4 or more qualified dependants.

**(3)** Notwithstanding subsection (2), if an eligible individual is a shared-custody parent in respect of one or more qualified dependants at the beginning of a month, the overpayment deemed by subsection (2) to have arisen during that month is equal to the amount determined by the formula

$$\frac{(A + B)}{2}$$

where

A is the amount determined under subsection (2) calculated without reference to this subsection;

B is the amount determined under subsection (2) calculated without reference to this subsection and subparagraph (b)(ii) of the definition of "eligible individual" in section 122.6 of the federal Act.

**(4)** If the total amount that an eligible individual is deemed to have overpaid during a 12-month period from July of one year to June of the next year would be, except for this subsection, greater than \$0 and less than \$10, the total amount that the



eligible individual is deemed to have overpaid during that 12-month period is \$10.

**Repayment resulting from death**

**30.3(1)** Subject to subsection (2), no obligation to repay all or a portion of a refund of overpayment made under section 30.2 arises as a result of the death of a person who, but for the person's death, would be an eligible individual or qualified dependant for the purposes of that overpayment.

**(2)** Subsection (1) does not apply with respect to a refund of overpayment or any portion thereof if the refund or portion of the refund arose as a result of the provision of false or misleading information.

**Transitional**

**30.4** In respect of any month that relates to a base taxation year before 2019, sections 30 and 30.1, as they read at the beginning of that month, continue to apply notwithstanding their repeal, irrespective of whether a return for the base taxation year is filed prior to July 1, 2020.

**(24) Section 32(1) is amended by striking out** “Despite section 30” **and substituting** “Despite section 30.2”.

**(25) Section 33(1) is repealed and the following is substituted:**

**Payment of refund**

**33(1)** The Provincial Minister may, based on considerations of administrative efficiency, refund an overpayment within or after the month in which the overpayment is deemed to arise or before the month in which the overpayment is expected to be deemed to arise.

**(26) Section 34(1)(d) is amended by striking out** “section 30 or 30.1” **and substituting** “section 30.2 or 30.4”.

(24) Section 32(1) presently reads:

*32(1) Despite section 30, if an eligible individual has a cohabiting spouse or common-law partner at the end of a base taxation year, the eligible individual is not deemed to have made an overpayment in respect of the base taxation year unless the cohabiting spouse or common-law partner has filed a return of income for the base taxation year.*

(25) Section 33(1) presently reads:

*33(1) The Provincial Minister may, based on considerations of administrative efficiency, specify that a refund of an overpayment that is deemed to arise in a month be made in that month or before or after that month occurs.*

(26) Section 34(1) presently reads in part:

*34(1) A refund of an overpayment*

**(27) Section 35(b) is amended by striking out “section 30(1)(b)” and substituting “section 30.2(1)(b)”.**

**(28) Sections 35.2 and 35.3 are repealed.**

*(d) may not be retained by way of deduction or set-off except in respect of amounts that have been paid under section 30 or 30.1.*

(27) Section 35 presently reads in part:

*35 The Lieutenant Governor in Council may make regulations*

*(b) establishing rules to determine if an individual was resident in Alberta for the purposes of section 30(1)(b);*

(28) Sections 35.2 and 35.3 presently read:

*35.2(1) This Division applies to payments deemed under section 35.3(3) to have been paid in a specified month in 2017, 2018 or 2019.*

*(2) Despite any return of income filed before May 30, 2019, no payment shall be deemed under section 35.3(3) to have been paid in a specified month that begins after June 30, 2019.*

*35.3(1) In this section,*

*(a) “eligible individual”, in relation to a month specified for a taxation year, means an individual, other than a trust,*

*(i) who*

*(A) has, before the specified month, attained the age of 18 years, or*

*(B) was, at any time before the specified month,*

*(I) a parent who resided with his or her child, or*

*(II) married or in a common-law partnership,*

*and*

*(ii) who was resident in Alberta on the first day of the specified month and the preceding specified month;*

*(b) “qualified dependant” of an individual, in relation to a month specified for a taxation year, means a person who at the beginning of the specified month*





- (i) *is the individual's child or is dependent for support on the individual or on the individual's cohabiting spouse or common-law partner,*
- (ii) *resides with the individual,*
- (iii) *is under the age of 18 years,*
- (iv) *is not an eligible individual in relation to the specified month, and*
- (v) *is not a qualified relation of any individual in relation to the specified month.*

*(2) Section 122.5 of the federal Act, except for subsections (3), (3.1) and (3.2) and the definitions of "eligible individual" and "qualified dependant" in subsection (1), applies for the purposes of this section in relation to a month specified for a taxation year.*

*(3) If, in relation to a month specified for a taxation year, an eligible individual files a return of income for the taxation year, the eligible individual is deemed to have paid during the specified month, on account of the eligible individual's tax payable under this Act for the taxation year, an amount equal to 25% of the amount, if any, determined by the following formula:*

*A - B*

*where*

*A is the total of the following:*

- (a) *\$200;*
- (b) *\$100, if the individual has in relation to the specified month*
  - (i) *a qualified relation, or*
  - (ii) *if the individual has no qualified relation in relation to the specified month and is entitled to deduct an amount for the taxation year under subsection 118(1) of the federal Act because of paragraph (b) of the description of "B" in that subsection in respect of a qualified dependant of the individual in relation to the specified month;*



(c) \$30 for each qualified dependant, not to exceed 4, of the individual in relation to the specified month, other than a qualified dependant in respect of whom an amount is included under clause (b) in computing the total for the specified month;

*B* is

(a) if the individual has no qualified relation or qualified dependant in relation to the specified month, the lesser of the amount determined under *A* and 2.67% of the amount by which the individual's adjusted income for the taxation year in relation to the specified month exceeds \$47 500, or

(b) if the amount determined for the individual under *A* includes an amount pursuant to clause (b) or (c), the lesser of the amount determined under *A* and 4.0% of the amount by which the sum of the adjusted incomes of the individual and the qualified relation for the taxation year in relation to the specified month exceeds \$95 000.

(4) Effective January 1, 2018, for a month specified for a taxation year, the amounts in the description of *A* in the formula in subsection (3) are to be read as follows:

(a) in clause (a), "\$200" is to be read as "\$300";

(b) in clause (b), "\$100" is to be read as "\$150";

(c) in clause (c), "\$30" is to be read as "\$45".

(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.

(6) Despite subsection 122.5(5) of the federal Act as it applies for the purposes of this Act, the individual who is the eligible individual in relation to a specified month under subsection 122.5(5) of the federal Act as it applies for the purposes of that Act is the individual who is the eligible individual, in relation to that specified month, for the purposes of this section.

(7) Despite subsection 122.5(6) of the federal Act as it applies for the purposes of this Act, a person who is the qualified dependant of

**(29) The following is added before the heading “Division 5, Restrictions on Credits”:**

**Transitional**

**35.4** In respect of any month specified for the 2015, 2016 or 2017 taxation years, sections 35.2 and 35.3, as they read immediately before their repeal, continue to apply notwithstanding their repeal, irrespective of whether a return for the taxation year is filed prior to January 1, 2020.

**(30) Section 36.1 is amended**

- (a) in subsection (1) by striking out “sections 8 to 20” and substituting “sections 8 to 19”;**
- (b) in subsection (2)**
  - (i) in clause (a) by striking out “sections 8 to 20” and substituting “sections 8 to 19”;**
  - (ii) in clause (b)**

*an individual, in relation to a specified month, under subsection 122.5(6) of the federal Act as it applies for the purposes of that Act is the qualified dependant of that individual, in relation to that specified month, for the purposes of this section.*

*(8) In applying subsection 122.5(6.1) of the federal Act for the purposes of this section, the reference in paragraph (c) to “19” is to be read as “18”.*

*(9) In applying subsection 122.5(6.1) of the federal Act for the purposes of this section, that section must be read as including the following paragraph:*

*(d) an individual becomes or ceases to be resident in Alberta.*

*(10) The Lieutenant Governor in Council may make regulations*

*(a) specifying, with or without modifications, additional provisions of the federal Act that apply in respect of a deemed payment under subsection (3);*

*(b) establishing rules to determine if an individual was resident in Alberta for the purposes of subsection (1)(a)(ii).*

*(29) Transitional.*

*(30) Section 36.1 presently reads in part:*

*36.1(1) Where an individual is resident in Canada throughout part of a calendar year and throughout another part of the calendar year is non-resident, this section applies in computing the amounts that may be deducted under sections 8 to 20 for the purposes of this Act.*

*(2) Where an individual is resident in Canada throughout part of a calendar year and throughout another part of the calendar year is non-resident, for the purpose of computing the individual’s tax payable under this Act for the year,*

- (A) in subclause (i) by striking out “15, 16,”;**
- (B) in subclause (ii) by striking out “sections 8, 9, 13 and 20” and substituting “sections 8, 9 and 13”.**

**(31) Section 37 is amended**

- (a) by striking out “sections 8 to 20” and substituting “sections 8 to 19”;**
- (b) in clause (a) by striking out “15, 16,”;**
- (c) in clause (b) by striking out “sections 8, 9, 13 and 20” and substituting “sections 8, 9 and 13”.**

**(32) Section 38 is amended**

- (a) by striking out “15, 16, 18, 19 and 20” wherever it occurs and substituting “18 and 19”;**

- (a) *the amounts deductible for the year under sections 8 to 20 in respect of the part of the year that is not included in the period or periods referred to in clause (b) are computed as though such part were the whole taxation year, and*
- (b) *the individual is allowed only*
  - (i) *such of the deductions under sections 10, 11, 12, 13.1, 15, 16, 18 and 19 as can reasonably be considered wholly applicable, and*
  - (ii) *such part of the deductions permitted under sections 8, 9, 13 and 20 as can reasonably be considered applicable*

*to the period or periods in the year throughout which the individual is resident in Canada, computed as though that period or those periods were the whole taxation year.*

(31) Section 37 presently reads:

*37 Despite sections 8 to 20, for the purpose of computing an individual's tax payable under this Act for a taxation year that ends in a calendar year in which the individual becomes bankrupt, the individual is allowed only*

- (a) *such of the deductions as the individual is entitled to under sections 10, 11, 12, 13.1, 15, 16, 18 and 19 as can reasonably be considered wholly applicable to the taxation year, and*
- (b) *such part of the deductions as the individual is entitled to under sections 8, 9, 13 and 20 as can reasonably be considered applicable to the taxation year,*

*except that the total of the amounts so deductible for all taxation years of the individual in the calendar year under any of those provisions cannot exceed the amount that would have been deductible under that provision in respect of the calendar year if the individual had not become bankrupt.*

(32) Section 38 presently reads:

*38 Despite sections 8, 9, 11, 12, 13, 15, 16, 17, 18, 19 and 20, for the purposes of computing tax payable under this Act for a taxation year by an individual referred to in section 6(2) or 6.1(3), the*

- (b) by striking out “6(2) or” wherever it occurs;**
- (c) by striking out “, as the case may be”.**

**(33) Section 39 is amended**

- (a) by striking out “15 to 23” and substituting “17 to 23”;**
- (b) by striking out “6(3) or” wherever it occurs;**
- (c) by striking out “15, 16, 17, 18, 19 and 20” and substituting “17, 18 and 19”;**
- (d) by striking out “, as the case may be”.**

**(34) Section 40 is amended**

- (a) in subsection (1)**
  - (i) by striking out “15, 16, 17, 18, 19 and 20” wherever it occurs and substituting “17, 18 and 19”;**
  - (ii) by striking out “6(4) or” wherever it occurs;**



*amount that may be deducted under those provisions must not exceed the portion of such amount determined by the formula*

$$A \times \frac{C-D}{C}$$

*where*

*A is the total of those credits under sections 8, 9, 11, 12, 13, 15, 16, 17, 18, 19 and 20 that the individual is entitled to claim;*

*C and D are the individual's amounts for the year as described in section 6(2) or 6.1(3), as the case may be.*

(33) Section 39 presently reads:

*39 Despite sections 8 to 13.1 and 15 to 23, for the purposes of computing tax payable under this Act for a taxation year by an individual referred to in section 6(3) or 6.1(4), the amount that may be deducted under those sections must not exceed the portion of such amount determined by the formula*

$$A \times \frac{C}{D}$$

*where*

*A is the total of those credits under sections 8, 9, 11, 12, 13, 15, 16, 17, 18, 19 and 20 that the individual is entitled to claim;*

*C and D are the individual's amounts for the year as described in section 6(3) or 6.1(4), as the case may be.*

(34) Section 40 presently reads:

*40(1) Despite sections 8, 9, 11, 12, 13, 15, 16, 17, 18, 19 and 20, for the purposes of computing tax payable under this Act for a taxation year by an individual referred to in section 6(4) or 6.1(5), the amount that may be deducted under those provisions must not exceed the portion of such amount determined by the formula*

(iii) **by striking out** “, as the case may be”;

**(b) in subsection (2)**

(i) **by striking out** “15 to 23” **and substituting** “17 to 23”;

(ii) **by striking out** “6(6) or” **wherever it occurs**;

(iii) **by striking out** “15, 16, 17, 18, 19 and 20” **and substituting** “17, 18 and 19”;

(iv) **by striking out** “, as the case may be”.

**(35) Section 41 is amended**

(a) **in subsection (1) by striking out** “sections 13.1, 16 and 20” **and substituting** “section 13.1”;

**(b) in subsection (2)**

(i) **by striking out** “6(5) or” **wherever it occurs**;

(ii) **by striking out** “15, 16, 18, 19 and 20” **and substituting** “18 and 19”;

(iii) **by striking out** “, as the case may be”.

$$A \times \frac{(C - D)}{C}$$

where

*A* is the total of those credits under sections 8, 9, 11, 12, 13, 15, 16, 17, 18, 19 and 20 that the individual is entitled to claim, and

*C* and *D* are the individual's amounts for the year as described in section 6(4) or 6.1(5), as the case may be.

(2) Despite sections 8 to 13.1 and 15 to 23, for the purposes of computing tax payable under this Act for a taxation year by an individual referred to in section 6(6) or 6.1(7), the amount that may be deducted under those sections must not exceed the portion of such amount determined by the formula

$$A \times \frac{C}{D}$$

where

*A* is the total of those credits under sections 8, 9, 11, 12, 13, 15, 16, 17, 18, 19 and 20 that the individual is entitled to claim, and

*C* and *D* are the individual's amounts for the year as described in section 6(6) or 6.1(7), as the case may be.

(35) Section 41 presently reads:

*41(1) Sections 8, 9, 10 and 12 of this Act, section 13 of this Act with respect to the application of subsections 118.3(2) and (3) of the federal Act and sections 13.1, 16 and 20 of this Act do not apply for the purpose of computing the tax payable under this Act for a taxation year by an individual who at no time in the year is resident in Canada unless all or substantially all of the individual's income for the year is included in computing the individual's taxable income earned in Canada for the year.*

*(2) For an individual referred to in section 6(5) or 6.1(6), the amount that may be deducted under subsection (1) for the year must not exceed the portion of such amount determined by the formula*

**(36) Section 42 is amended**

- (a) by striking out “15, 16, 20(2), 20(1),”;**
- (b) by striking out “23, 24 and 25” and substituting “23 and 24”.**

**(37) Section 44 is repealed.**

$$A \times \frac{C}{D}$$

where

*A* is the total of those credits under sections 8, 9, 11, 12, 13, 15, 16, 18, 19 and 20 that the individual is entitled to claim, and

*C* and *D* are the individual's amounts for the year as described in section 6(5) or 6.1(6), as the case may be.

(36) Section 42 presently reads:

*42 In computing an individual's tax payable under this Act, the following provisions must be applied in the following order:*

*sections 8, 9, 19, 10, 13.1, 13, 17, 15, 16, 20(2), 20(1), 12, 11, 18, 21, 22, 27, 23, 24 and 25.*

(37) Section 44 presently reads:

*44(1) Each of the amounts referred to in sections 8(1)(a), (b), (c), (d) and (e), 9, 10, 12(1), 13(2) and 13.1(2) and the amounts expressed in dollars in sections 6.1 and 16 are to be adjusted so that the amount to be used under those provisions for the taxation year is the total of*

*(a) the amounts that would, but for subsection (3), be the amounts to be used under those provisions for the immediately preceding taxation year, and*

*(b) the product obtained by multiplying*

*(i) the amounts referred to in clause (a)*

*by*

*(ii) the amount, adjusted in such manner as may be prescribed and rounded to the nearest one-thousandth or, where the result obtained is equidistant from 2 consecutive one-thousandths, to the higher one-thousandth, that is determined by the formula*



$$\frac{A - 1}{B}$$

where

*A* is the Consumer Price Index for Alberta for the 12-month period that ended on the last September 30 before that year, and

*B* is the Consumer Price Index for Alberta for the 12-month period immediately preceding the period mentioned in the description of *A*.

(1.1) Each of the dollar amounts referred to in section 30(2), except the amount \$2760, shall be adjusted so that, where the base taxation year in relation to a particular month is after 2004, the amount to be used under that subsection for the month is the total of

(a) the amounts that would, but for subsection (3), be the relevant amounts used under section 30(2) for the month that is one year before the particular month, and

(b) the product obtained by multiplying

(i) the amounts referred to in clause (a)

by

(ii) the amount, adjusted in such manner as may be prescribed and rounded to the nearest one-thousandth or, where the result obtained is equidistant from 2 consecutive one-thousandths, to the higher one-thousandth, that is determined by the formula

$$\frac{A - 1}{B}$$

where

*A* is the Consumer Price Index for Alberta for the 12-month period that ended on the last September 30 of the base taxation year, and

*B* is the Consumer Price Index for Alberta for the 12-month period immediately preceding the period mentioned in the description of *A*.





*(1.11) Each of the dollar amounts referred to in section 30.1(2) shall be adjusted so that, where the base taxation year in relation to a particular month is after 2015, the amount to be used under that subsection for the month is the total of*

*(a) the amounts that would, but for subsection (3), be the relevant amounts used under section 30.1(2) for the month that is one year before the particular month, and*

*(b) the product obtained by multiplying*

*(i) the amounts referred to in clause (a)*

*by*

*(ii) the amount, adjusted in such manner as may be prescribed and rounded to the nearest one-thousandth or, where the result obtained is equidistant from 2 consecutive one-thousandths, to the higher one-thousandth, that is determined by the formula*

$$\frac{A - 1}{B}$$

*where*

*A is the Consumer Price Index for Alberta for the 12-month period that ended on September 30 of the base taxation year, and*

*B is the Consumer Price Index for Alberta for the 12-month period immediately preceding the period mentioned in the description of A.*

*(1.2) Notwithstanding subsection (1), this section does not apply for the purpose of adjusting, for the 2008 taxation year, the amounts in sections 8(1)(d) and (e) and 13(2) as amended by sections 2 and 3 of the Alberta Personal Income Tax Amendment Act, 2008.*

*(1.3) Notwithstanding subsection (1.1), this section does not apply for the purpose of adjusting, for the months of July to December in the 2008 taxation year, the amounts in section 30(2) as amended by section 4 of the Alberta Personal Income Tax Amendment Act, 2008.*

*(1.4) Subsection (1.1) does not apply for the purposes of adjusting the amount of \$41 250 in the description of B in the formula in section 30(2) until July 1, 2017.*

**(38) The following is added before section 45:**

**Transitional**

**44.1** For the purpose of calculating any amount that an eligible individual is deemed to have overpaid in a month under section 30.4, section 44, as it read immediately before the end of the day on June 30, 2020, continues to apply notwithstanding its repeal.

**Indexing**

**44.2(1)** Each of the amounts expressed in dollars in sections 6.1, 8(1)(a), (b), (c), (d) and (e), 9, 10, 12(1), 13(2) and 13.1(2) is to be adjusted so that each amount to be used under the provision for the taxation year is the total of

- (a) the amount that would, but for subsection (3), be the amount used under the provision for the immediately preceding taxation year, and
- (b) the product obtained by multiplying

*(3) Where an amount referred to in this section, when adjusted as provided in this section, is not a multiple of one dollar, it must be rounded to the nearest multiple of one dollar or, where it is equidistant from 2 such consecutive multiples, to the higher multiple.*

*(4) In this section, the Consumer Price Index for Alberta for any 12-month period is the result arrived at by*

*(a) aggregating the Consumer Price Index for Alberta, as published by Statistics Canada under the authority of the Statistics Act (Canada), adjusted in such manner as may be prescribed, for each month in that period,*

*(b) dividing the aggregate obtained under clause (a) by 12, and*

*(c) rounding the result obtained under clause (b) to the nearest one-thousandth or, where the result obtained is equidistant from 2 consecutive one-thousandths, to the higher one-thousandth.*

*(7) This section, except subsection (1.1), applies to the 2002 taxation year and subsequent taxation years.*

*(8) Subsection (1.1) applies on and after July 1, 2006.*

(38) Transitional; indexing.

- (i) the amount referred to in clause (a)

by

- (ii) the amount, adjusted in such manner as may be prescribed and rounded to the nearest one-thousandth or, where the result obtained is equidistant from 2 consecutive one-thousandths, to the higher one-thousandth, that is determined by the formula

$$\frac{A - 1}{B}$$

where

A is the Consumer Price Index for Alberta for the 12-month period that ended on the last September 30 before that year, and

B is the Consumer Price Index for Alberta for the 12-month period immediately preceding the period mentioned in the description of A.

**(2)** For the base taxation year preceding the year this subsection comes into force, and for subsequent base taxation years, each of the amounts expressed in dollars in section 30.2(2), except the amount of \$2760, is to be adjusted so that each amount to be used under that section for each particular month is the total of

- (a) the amount that would, but for subsection (3), be the amount used under section 30.2(2) for the month that is one year before the particular month, and

- (b) the product obtained by multiplying

- (i) the amount referred to in clause (a)

by

- (ii) the amount, adjusted in such manner as may be prescribed and rounded to the nearest one-thousandth or, where the result obtained is equidistant from 2 consecutive one-thousandths, to the higher one-thousandth, that is determined by the formula



$$\frac{A - 1}{B}$$

where

- A is the Consumer Price Index for Alberta for the 12-month period that ended on the last September 30 of the base taxation year, and
- B is the Consumer Price Index for Alberta for the 12-month period immediately preceding the period mentioned in the description of A.

(3) Where an amount referred to in this section, when adjusted as provided in this section, is not a multiple of one dollar, it must be rounded to the nearest multiple of one dollar or, where it is equidistant from 2 such consecutive multiples, to the higher multiple.

(4) In this section, the Consumer Price Index for Alberta for any 12-month period is the result arrived at by

- (a) aggregating the Consumer Price Index for Alberta, as published by Statistics Canada under the authority of the *Statistics Act* (Canada), adjusted in such manner as may be prescribed, for each month in that period,
- (b) dividing the aggregate obtained under clause (a) by 12, and
- (c) rounding the result obtained under clause (b) to the nearest one-thousandth or, where the result obtained is equidistant from 2 consecutive one-thousandths, to the higher one-thousandth.

**(39) Section 46 is amended**

**(a) in subsection (2)**

- (i) by striking out “6(2) or” wherever it occurs;**
- (ii) by striking out “, as the case may be”;**

(39) Section 46 presently reads in part:

*(2) The amount calculated for the purposes of subsection (1) in respect of an individual referred to in section 6(2) or 6.1(3) is the amount determined by multiplying the amount calculated under subsection (1) by the formula*

**(b) in subsection (3)**

**(i) by striking out “6(3) or” wherever it occurs;**

**(ii) by striking out “, as the case may be”;**

**(c) in subsection (4)**

**(i) by striking out “6(4) or” wherever it occurs;**

**(ii) by striking out “, as the case may be”;**

**(d) in subsection (5)**

**(i) by striking out “6(5) or” wherever it occurs;**

**(ii) by striking out “, as the case may be”;**

**(e) in subsection (6)**

**(i) by striking out “6(6) or” wherever it occurs;**

**(ii) by striking out “, as the case may be”.**



$$\frac{C-D}{C}$$

where  $C$  and  $D$  are the individual's amounts for the year as described in section 6(2) or 6.1(3), as the case may be.

(3) The amount calculated for the purposes of subsection (1) in respect of an individual referred to in section 6(3) or 6.1(4) is the amount determined by multiplying the amount calculated under subsection (1) by the formula

$$\frac{C}{D}$$

where  $C$  and  $D$  are the individual's amounts for the year as described in section 6(3) or 6.1(4), as the case may be.

(4) The amount calculated for the purposes of subsection (1) in respect of an individual referred to in section 6(4) or 6.1(5) is the amount determined by multiplying the amount calculated under subsection (1) by the formula

$$\frac{C-D}{C}$$

where  $C$  and  $D$  are the individual's amounts for the year as described in section 6(4) or 6.1(5), as the case may be.

(5) The amount calculated for the purposes of subsection (1) in respect of an individual referred to in section 6(5) or 6.1(6) is the amount determined by multiplying the amount calculated under subsection (1) by the formula

$$\frac{C}{D}$$

where  $C$  and  $D$  are the individual's amounts for the year as described in section 6(5) or 6.1(6), as the case may be.

(6) The amount calculated for the purposes of subsection (1) in respect of an individual referred to in section 6(6) or 6.1(7) is the amount determined by multiplying the amount calculated under subsection (1) by the formula

$$\frac{C}{D}$$

**(40) Section 47(1) is repealed and the following is substituted:**

**Tax on split income**

**47(1)** There must be added to the tax payable for a specified individual who is resident in Alberta under this Act for a taxation year an amount that is determined by multiplying the individual's split income for that year by the highest percentage specified for the purposes of section 6.1(1)(a).

**(41) Section 48 is amended**

**(a) in subsection (2)**

**(i) by striking out “6(2) or” wherever it occurs;**

**(ii) by striking out “, as the case may be”;**

**(b) in subsection (3)**

**(i) by striking out “6(3) or” wherever it occurs;**

**(ii) by striking out “, as the case may be”;**

**(c) in subsection (4)**

**(i) by striking out “6(4) or” wherever it occurs;**

**(ii) by striking out “, as the case may be”;**

**(d) in subsection (5)**

**(i) by striking out “6(5) or” wherever it occurs;**

**(ii) by striking out “, as the case may be”;**

**(e) in subsection (6)**

where *C* and *D* are the individual's amounts for the year as described in section 6(6) or 6.1(7), as the case may be.

(40) Section 47(1) presently reads:

*47(1) There must be added to the tax payable for a specified individual who is resident in Alberta under this Act for a taxation year an amount that is determined by*

- (a) multiplying the individual's split income for that year by the specified percentage, if the year ends on or before December 31, 2014, or*
- (b) multiplying the individual's split income for that year by the highest percentage specified for the purposes of section 6.1(1)(a), if the year ends after December 31, 2014.*

(41) Section 48 presently reads in part:

*(2) The amount calculated for the purposes of subsection (1) in respect of an individual referred to in section 6(2) or 6.1(3) is the amount determined by multiplying the amount calculated under subsection (1) by the formula*

$$\frac{C - D}{C}$$

where *C* and *D* are the individual's amounts for the year as described in section 6(2) or 6.1(3), as the case may be.

*(3) The amount calculated for the purposes of subsection (1) in respect of an individual referred to in section 6(3) or 6.1(4) is the amount determined by multiplying the amount calculated under subsection (1) by the formula*

$$\frac{C}{D}$$

where *C* and *D* are the individual's amounts for the year as described in section 6(3) or 6.1(4), as the case may be.

*(4) The amount calculated for the purposes of subsection (1) in respect of an individual referred to in section 6(4) or 6.1(5) is the*

- (i) **by striking out “6(6) or” wherever it occurs;**
- (ii) **by striking out “, as the case may be”.**

**(42) Section 57 is amended**

- (a) **by repealing subsection (3)(e) and substituting the following:**
  - (e) Alberta taxable property for the purposes of section 6.1(6),
- (b) **in subsection (4) by striking out “section 30” and substituting “section 30.2”.**

**(43) Section 82(1)(b) is repealed and the following is substituted:**

amount determined by multiplying the amount calculated under subsection (1) by the formula

$$\frac{C-D}{C}$$

where *C* and *D* are the individual's amounts for the year as described in section 6(4) or 6.1(5), as the case may be.

(5) The amount calculated for the purposes of subsection (1) in respect of an individual referred to in section 6(5) or 6.1(6) is the amount determined by multiplying the amount calculated under subsection (1) by the formula

$$\frac{C}{D}$$

where *C* and *D* are the individual's amounts for the year as described in section 6(5) or 6.1(6), as the case may be.

(6) The amount calculated for the purposes of subsection (1) in respect of an individual referred to in section 6(6) or 6.1(7) is the amount determined by multiplying the amount calculated under subsection (1) by the formula

$$\frac{C}{D}$$

where *C* and *D* are the individual's amounts for the year as described in section 6(6) or 6.1(7), as the case may be.

(42) Section 57 presently reads in part:

(3) An appeal from an assessment under this Act lies only in respect of the determination of

(e) Alberta taxable property for the purposes of section 6(5) or 6.1(6),

(4) An appeal lies in respect of the determination of an overpayment for the purposes of section 30.

(43) Section 82(1) presently reads in part:

(b) determining, for the purposes of section 6.1(6), taxable Alberta property;

**(44)** Subsection (37), to the extent that it repeals section 44(1) and (1.2) of the *Alberta Personal Income Tax Act*, has effect at the end of the day on December 31, 2019.

**(45)** Subsections (1) to (19), (28) to (36) and (39) to (43) have effect on January 1, 2020.

**(46)** Subsections (22) and (37), to the extent that subsection (37) repeals section 44(1.1), (1.11), (1.3), (1.4), (3), (4), (7) and (8) of the *Alberta Personal Income Tax Act*, have effect at the end of the day on June 30, 2020.

**(47)** Subsection (38), to the extent that it enacts section 44.1 of the *Alberta Personal Income Tax Act*, has effect at the end of the day on June 30, 2020.

**(48)** Subsections (20), (21) and (23) to (27) have effect on July 1, 2020.

**(49)** Subsection (38), to the extent that it enacts section 44.2 of the *Alberta Personal Income Tax Act*, comes into force on Proclamation.

### **City Charters Fiscal Framework Act**

Repeals SA 2018 cC-13.3

**10** The *City Charters Fiscal Framework Act* is repealed.

### **Environmental Protection and Enhancement Act**

**Disestablishment of Fund**

**11(1)** The Environmental Protection and Enhancement Fund is disestablished.

*82(1) The Lieutenant Governor in Council may make regulations*

*(b) determining, for the purposes of section 6(5) or 6.1(6), taxable Alberta property;*

(44) Coming into force.

(45) Coming into force.

(46) Coming into force.

(47) Coming into force.

(48) Coming into force.

(49) Coming into force.

### **City Charters Fiscal Framework Act**

**10** Repeals chapter C-13.3 of the Statutes of Alberta, 2018.

### **Environmental Protection and Enhancement Act**

**11** Disestablishment of Fund.

**(2)** The assets of the Environmental Protection and Enhancement Fund shall be held in, and the Fund's liabilities shall be assumed by, the General Revenue Fund.

**Amends RSA 2000 cE-12**

**12(1)** The *Environmental Protection and Enhancement Act* is amended by this section.

**(2)** Section 1(u) is repealed.

**(3)** Section 30 is repealed.



**12(1)** Amends chapter E-12 of the Revised Statutes of Alberta 2000.

(2) Section 1 presently reads in part:

*1 In this Act,*

*(u) “Environmental Protection and Enhancement Fund” means the fund established under section 30;*

(3) Section 30 presently reads:

*30(1) The Environmental Protection and Enhancement Fund is hereby established.*

*(2) The Environmental Protection and Enhancement Fund shall be used for the purposes of environmental protection and enhancement and emergencies with respect to any matter that is under the administration of the Minister.*

*(3) The Environmental Protection and Enhancement Fund shall be held and administered by the Minister in accordance with this Act, and the Minister shall maintain a separate accounting record of the Fund.*

*(4) The Minister shall make payments out of the Environmental Protection and Enhancement Fund for the purposes of the Fund to the Department, another Government department, a government of another jurisdiction, another regulated fund within the meaning of the Financial Administration Act or any person.*

*(5) The following shall be paid into the Environmental Protection and Enhancement Fund:*

*(a) security transferred under subsection (10);*



- (b) *money recovered by the Government in respect of the Government's carrying out work or taking emergency measures under this Act or any other enactment under the administration of the Minister;*
  - (c) *money advanced by the Minister from the General Revenue Fund under subsection (8);*
  - (d) *money from a supply vote appropriated for the purposes of the Environmental Protection and Enhancement Fund;*
  - (e) *payments made by any person or the government of another jurisdiction for the purposes of the Environmental Protection and Enhancement Fund;*
  - (f) *with the approval of the Treasury Board, fees, levies, revenue, royalties, penalties, charges, dues, rents or other sums received by the Government with respect to any matter under the administration of the Minister;*
  - (g) *gifts, donations, bequests and transfers to the Environmental Protection and Enhancement Fund.*
- (6) *The Minister may be a participant under section 40 of the Financial Administration Act on behalf of the Environmental Protection and Enhancement Fund.*
- (7) *Investment income earned on deposits of the Environmental Protection and Enhancement Fund accrues to and forms part of the Environmental Protection and Enhancement Fund.*
- (8) *The Minister may advance from the General Revenue Fund to the Environmental Protection and Enhancement Fund money required for the purposes of the Environmental Protection and Enhancement Fund, but the amount of the advances outstanding at any time shall not exceed \$100 000 000.*
- (9) *Interest shall be paid on outstanding advances made under subsection (8) in the amounts, at the times and in the manner specified by the Treasury Board, and that interest forms part of the General Revenue Fund.*
- (10) *The Minister shall transfer to the Environmental Protection and Enhancement Fund*
- (a) *security from the Environmental Protection Security Fund that is forfeited in accordance with the regulations, and*

**(4) Section 37(1)(l) is repealed.**

**Film and Television  
Tax Credit Act**

**Enacts SA 2019 cF-11.3**

**13** The *Film and Television Tax Credit Act* as set out in Schedule 1 is enacted and may be cited as chapter F-11.3 of the Statutes of Alberta, 2019.

**Gaming, Liquor and  
Cannabis Act**

**Disestablishment of Lottery Fund**

**14** The Lottery Fund continued by the *Gaming, Liquor and Cannabis Act* is disestablished and the money from the Fund shall be paid into the General Revenue Fund.

*(b) security that is forfeited under any other enactment under the administration of the Minister and is specified in the regulations.*

*(11) If at any time it appears to the President of Treasury Board and Minister of Finance that there is money in the Environmental Protection and Enhancement Fund that is not required for the purposes of the Fund, the President of Treasury Board and Minister of Finance, with the approval of the Treasury Board, may transfer the money to the General Revenue Fund.*

*(12) Any outstanding advances to the Environmental Protection and Enhancement Fund from the General Revenue Fund are reduced by a transfer of money made under subsection (11).*

(4) Section 37(1) presently reads in part:

*37(1) The Lieutenant Governor in Council may make regulations*

*(l) specifying security to which section 30(10)(b) applies.*

### **Film and Television Tax Credit Act**

**13** Enacts chapter F-11.3 of the Statutes of Alberta, 2019.

### **Gaming, Liquor and Cannabis Act**

**14** Disestablishment of Lottery Fund.

**Amends RSA 2000 cG-1**

**15(1) The *Gaming, Liquor and Cannabis Act* is amended by this section.**

**(2) Section 25 is repealed.**

**(3) Section 26 is amended by repealing subsections (3) and (4) and substituting the following:**

**(3)** After payment of the amounts referred to in subsection (2), the remaining revenue deposited into the Commission's accounts under subsection (1) must be transferred to the General Revenue Fund as directed by the President of Treasury Board and Minister of Finance.

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

(2) Section 25 presently reads:

*25(1) The Lottery Fund established under the Interprovincial Lottery Act, RSA 1980 cI-8, is continued.*

*(2) The Lottery Fund is administered by the Commission.*

*(3) The income of the Fund accrues to and forms part of the Fund.*

*(4) Money may be paid or transferred from the Lottery Fund only in accordance with an appropriation Act.*

(3) Section 26 presently reads in part:

*(3) After payment of the amounts referred to in subsection (2), the remaining revenue deposited into the Commission's accounts under subsection (1) must be transferred*

*(a) to the General Revenue Fund as directed by the President of Treasury Board, Minister of Finance if the revenue arose from the sale of liquor or cannabis, or*

*(b) to the Lottery Fund if the revenue arose from the conduct and management of provincial lotteries.*

*(4) The Commission must allocate its operating expenses on a reasonable basis*

*(a) against the aggregate revenue from the sale of liquor and cannabis, for the purpose of determining the amounts to be transferred pursuant to subsection (3)(a), or*

*(b) against revenue from the conduct and management of provincial lotteries, for the purpose of determining the amounts to be transferred pursuant to subsection (3)(b).*

## **Interactive Digital Media Tax Credit Act**

### **Amends SA 2018 cl-3.1**

**16(1)** The *Interactive Digital Media Tax Credit Act* is amended by this section.

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

**(4)** Notwithstanding anything in this Act, the Minister shall not issue a conditional approval letter or a revised conditional approval letter to a corporation on or after October 24, 2019, irrespective of when the corporation applied for the tax credit certificate to which the conditional approval letter or revised conditional approval letter relates.

### **Repeals SA 2018 cl-3.1**

**17** The *Interactive Digital Media Tax Credit Act* is repealed on Proclamation.

### **Coming into force**

**18** Section 16 has effect on October 24, 2019.

## **Investing in a Diversified Alberta Economy Act**

### **Amends SA 2016 cl-10.5**

**19(1)** The *Investing in a Diversified Alberta Economy Act* is amended by this section.

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

**(4)** Notwithstanding anything in this Act, the Minister shall not register a corporation as a venture capital corporation on or after October 24, 2019, irrespective of when the corporation applied to be registered.



**Interactive Digital Media  
Tax Credit Act**

**16(1)** Amends chapter I-3.1 of the Statutes of Alberta, 2018.

(2) Section 3 presently reads in part:

*(3) If the Minister refuses to issue a conditional approval letter to a corporation, the Minister must promptly give notice to the corporation of the refusal and provide reasons for the Minister's decision.*

**17** Repeal.

**18** Coming into force.

**Investing in a Diversified Alberta  
Economy Act**

**19(1)** Amends chapter I-10.5 of the Statutes of Alberta, 2016.

(2) Section 3 presently reads in part:

*(3) The Minister shall register the corporation if the Minister is satisfied that the applicant meets the requirements set out in section 4.*

**(3) Section 11 is amended by renumbering it as section 11(1) and by adding the following after subsection (1):**

**(2)** Notwithstanding anything in this Act, the Minister shall not grant approval on or after October 24, 2019 to a venture capital corporation to raise equity capital, irrespective of when the venture capital corporation applied for approval.

**(4) Section 19(1)(a) is amended by striking out “section 11(c)” and substituting “section 11(1)(c)”.**

**(5) Section 21 is amended by adding the following after subsection (9):**

**(10)** Notwithstanding anything in this section, a tax credit certificate respecting equity capital raised after December 31, 2019 must not be applied for or issued under this section.

**(6) Section 29 is amended by adding the following after subsection (3):**

**(4)** Notwithstanding anything in this Act, the Minister shall not register a corporation or cooperative as a community economic development corporation on or after October 24, 2019,

(3) Section 11 presently reads:

*11 A venture capital corporation must apply to the Minister for approval to raise equity capital and the Minister may grant the approval subject to any conditions that the Minister may impose, including but not limited to*

- (a) a condition that the shares may only be issued, as the Minister specifies, to corporations and individuals as defined in section 21(1),*
- (b) a condition setting the maximum consideration for which those shares may be issued to those corporations and individuals, and*
- (c) a condition that the equity capital be raised only for the purposes of investment in a small business referred to in section 12(1)(c) that is engaged in a prescribed business activity that is specified by the Minister in the condition.*

(4) Section 19(1) presently reads in part:

*19(1) A venture capital corporation must not make any investments other than investments in the following:*

- (a) subject to a condition of the Minister under section 11(c), eligible investments;*

(5) Section 21 presently reads in part:

*(9) If the Minister revokes a tax credit certificate issued under this section, the Minister must promptly give notice of that revocation, together with reasons for the revocation, to the venture capital corporation and to the Finance Minister.*

(6) Section 29 presently reads in part:

*(3) The Minister may register the corporation or cooperative if the Minister is satisfied that the applicant meets the requirements set out in section 30.*

irrespective of when the corporation or cooperative applied to be registered.

**(7) Section 34 is amended by adding the following after subsection (3):**

(4) Notwithstanding anything in this Act, the Minister shall not register a small business as an eligible business corporation on or after October 24, 2019, irrespective of when the small business applied to be registered.

**(8) Section 37 is amended by adding the following after subsection (3):**

(4) Notwithstanding anything in this Act, the Minister shall not grant approval on or after October 24, 2019 to an eligible business corporation to raise additional equity capital, irrespective of when the eligible business corporation applied for approval.

**(9) The following is added after section 39:**

**Limitation**

**39.1** Notwithstanding anything in sections 38 and 39, a tax credit certificate respecting equity capital raised after December 31, 2019 must not be applied for or issued under those sections.

**(10) Section 58 is amended by adding the following after subsection (3):**

(3.1) Notwithstanding anything in this Act, the Minister shall not issue a conditional approval letter to an eligible corporation on or after October 24, 2019, irrespective of when the eligible corporation applied for the conditional approval letter.

(7) Section 34 presently reads in part:

*(3) The Minister shall register the small business if the Minister is satisfied that the applicant meets the requirements set out in section 35.*

(8) Section 37 presently reads in part:

*(3) The Minister may, under subsection (1), impose a condition that the additional equity capital be raised only for the purposes of investment in a small business that is substantially engaged, determined in the prescribed manner, in Alberta in a prescribed business activity that is specified by the Minister in the condition.*

(9) Limitation.

(10) Section 58 presently reads in part:

*(3) The economic impact assessment referred to in subsection (2)(d) must describe the potential economic, social and environmental impacts of the proposed investment plan, including the following information:*

- (a) dollar value of the investment;*
- (b) timeliness;*
- (c) employment impacts;*
- (d) inclusion of under-represented people or groups;*
- (e) modernization or productivity improvements;*
- (f) new product or service development;*

**Repeals SA 2016 cI-10.5**

**20** The *Investing in a Diversified Alberta Economy Act* is repealed on Proclamation.

**Coming into force**

**21** Section 19 has effect on October 24, 2019.

### **Local Government Fiscal Framework Act**

**Enacts SA 2019 cL-21.5**

**22** The *Local Government Fiscal Framework Act* as set out in Schedule 2 is enacted and may be cited as chapter L-21.5 of the Statutes of Alberta, 2019.

### **Municipal Government Act**

**Amends RSA 2000 cM-26**

**23(1)** The *Municipal Government Act* is amended by this section.

**(2)** Section 428.2(3) is amended by striking out “deposit in the Environmental Protection and Enhancement Fund established under the *Environmental Protection and Enhancement Act*” and substituting “reimburse the Crown in right of Alberta”.

- (g) *supply chain impacts;*
- (h) *diversified customer base;*
- (i) *environmental performance;*
- (j) *community impact;*
- (k) *regional impact;*
- (l) *any other prescribed information.*

**20** Repeal.

**21** Coming into force.

### **Local Government Fiscal Framework Act**

**22** Enacts chapter L-21.5 of the Statutes of Alberta, 2019.

### **Municipal Government Act**

**23(1)** Amends chapter M-26 of the Revised Statutes of Alberta 2000.

(2) Section 428.2(3) presently reads:

*(3) Where a certificate of title is issued to a municipality under subsection (1) and there are remedial costs owing in respect of the parcel of land, the municipality must deposit in the Environmental Protection and Enhancement Fund established under the Environmental Protection and Enhancement Act the lesser of*

- (a) the fair market value of the parcel of land, and*
- (b) the amount of the remedial costs.*

## Post-secondary Learning Act

Amends SA 2003 cP-19.5

**24(1)** The *Post-secondary Learning Act* is amended by this section.

**(2)** The following is added after section 122:

### Accessibility and affordability

**122.1(1)** The Minister, in consultation with public post-secondary institutions, may identify and establish enrolment targets.

**(2)** The Minister, in consultation with public post-secondary institutions and such other persons as the Minister considers appropriate, may identify, evaluate and, where appropriate, implement plans, arrangements or processes that enhance the access to and affordability of advanced education, including, but not limited to, the following:

- (a) a common application process for entrance to public post-secondary institutions;
- (b) a searchable inventory and simplified application process for scholarships, bursaries and other financial assistance available to Alberta students attending post-secondary institutions in Alberta;
- (c) plans to increase the participation in advanced education of individuals who are disadvantaged due to social, economic, geographic or cultural factors;
- (d) arrangements among public post-secondary institutions regarding recognition of prior learning and course credits and the admission of transfer students;
- (e) plans for ensuring that financial need is not a barrier to pursuing advanced education opportunities.



**Post-secondary Learning Act**

**24(1)** Amends chapter P-19.5 of the Statutes of Alberta, 2003.

(2) Accessibility and affordability.

## **Public Transit and Green Infrastructure Project Act**

### **Enacts SA 2019 cP-43.8**

**25** The *Public Transit and Green Infrastructure Project Act* as set out in Schedule 3 is enacted and may be cited as chapter P-43.8 of the Statutes of Alberta, 2019.

## **Tobacco Tax Act**

### **Amends RSA 2000 cT-4**

**26(1)** The *Tobacco Tax Act* is amended by this section.

#### **(2) Section 3(1) is amended**

- (a) in clause (a) by striking out “\$0.25” and substituting “\$0.275”;**
- (b) in clause (b)**
  - (i) by striking out “129%” and substituting “142%”;**
  - (ii) by striking out “\$0.25” and substituting “\$0.275”;**
  - (iii) by striking out “\$7.83” and substituting “\$8.61”;**
- (c) in clause (c) by striking out “\$0.375” and substituting “\$0.4125”.**

#### **(3) This section has effect on October 25, 2019.**

## **Public Transit and Green Infrastructure Project Act**

**25** Enacts chapter P-43.8 of the Statutes of Alberta, 2019.

### **Tobacco Tax Act**

**26(1)** Amends chapter T-4 of the Revised Statutes of Alberta 2000.

(2) Section 3(1) presently reads:

*3(1) Every consumer who purchases tobacco in Alberta shall at the time of purchase of the tobacco pay to the Crown a tax computed at the following rates:*

- (a) on every cigarette or tobacco stick purchased by that consumer, \$0.25;*
- (b) on every cigar purchased by that consumer, 129% of the taxable price of the cigar, with the tax payable on each cigar being not less than \$0.25 per cigar nor more than \$7.83 per cigar;*
- (c) on every gram or part of a gram of any tobacco, other than cigarettes, tobacco sticks or cigars, purchased by that consumer, \$0.375.*

(3) Coming into force.

**Schedule 1**  
**FILM AND TELEVISION TAX CREDIT**  
**ACT**

Chapter F-11.3

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Schedule

**Definitions**

**1** In this Act,



- (a) “Alberta principal photography” means the period during which filming on a project takes place in Alberta;
- (b) “Alberta Production Grant” means the Alberta Production Grant administered by the Minister of Culture, Multiculturalism and Status of Women;
- (c) “authorization letter” means an authorization letter issued by the Minister under section 4;
- (d) “completion of production” means delivery of the final project in accordance with the regulations;
- (e) “designated assistance” means designated assistance as defined in the regulations;
- (f) “eligible corporation” means a corporation that meets the eligibility requirements under section 2;
- (g) “eligible production costs” means eligible production costs as defined in the regulations;
- (h) “Finance Minister” means the Minister responsible for the *Alberta Corporate Tax Act*;
- (i) “Minister” means the Minister determined under section 16 of the *Government Organization Act* as the Minister responsible for this Act;
- (j) “permanent establishment” means a permanent establishment as defined in section 1(2) of the *Alberta Corporate Tax Act*;
- (k) “production plan” means a plan for a project that meets the requirements of the regulations;
- (l) “project” means a film or television production, or another type of production prescribed by the regulations;
- (m) “Screen-based Production Grant” means the Screen-based Production Grant administered by the Minister of Culture, Multiculturalism and Status of Women;
- (n) “tax credit certificate” means a tax credit certificate issued by the Minister under section 6;



- (o) “taxation year” means a taxation year as defined in section 249 of the *Income Tax Act* (Canada);
- (p) “total production costs” means total costs for a project, including any portion of the project that occurs outside Alberta.

#### **Eligible corporations**

**2** To be an eligible corporation, a corporation

- (a) must be registered as an extra-provincial corporation, incorporated or continued under the *Business Corporations Act*,
- (b) must not be exempt from tax under the *Alberta Corporate Tax Act* by virtue of section 35 of that Act, subject to the regulations under this Act,
- (c) must not be controlled directly or indirectly in any manner whatever by one or more corporations that are exempt from tax under the *Alberta Corporate Tax Act* by virtue of section 35 of that Act, subject to the regulations under this Act,
- (d) must be engaged primarily in film or television production or another type of production prescribed by the regulations,
- (e) must not have received an Alberta Production Grant or a Screen-based Production Grant for the project in respect of which the corporation is applying for an authorization letter, subject to the regulations,
- (f) must be in compliance with the applicable legislation governing the registration of corporations, and
- (g) must satisfy any additional eligibility criteria set out in the regulations.

#### **Application**

**3(1)** An eligible corporation may apply to the Minister to be issued an authorization letter to receive a tax credit certificate in respect of a project by providing the following to the Minister:

- (a) an application in the form, and containing the information, required by the Minister;





- (b) the expected date of completion of production;
- (c) a production plan;
- (d) any other information or records required by the Minister.

**(2)** An application under this section must be made within the application period determined by the Minister, and the Minister may consider an application made during the application period at the times determined by the Minister.

**(3)** Subject to the regulations, an eligible corporation shall not apply to the Minister for an authorization letter in respect of a project after Alberta principal photography begins on the project.

**(4)** If the information provided to the Minister under subsection (1) changes, in accordance with the regulations, the eligible corporation shall apply for a revised authorization letter by providing updated information to the Minister within 30 days after the change occurs.

**Authorization letter**

**4(1)** Where the Minister is satisfied, based on the information or records provided under section 3(1), that

- (a) the eligible corporation will be eligible at completion of production to receive a tax credit certificate in respect of the project,
- (b) the total production costs at completion of production will be greater than the amount prescribed by the regulations, and
- (c) any other criteria or requirements prescribed by the regulations have been met,

the Minister may issue an authorization letter to the eligible corporation in accordance with this section.

**(2)** An authorization letter must include the following information:

- (a) the preliminary tax credit amount, as determined in accordance with subsection (3);



- (b) in the case of an eligible corporation that has not started Alberta principal photography between the date the application is made and the date the authorization letter is issued, the date by which Alberta principal photography must start, as prescribed by the regulations;
- (c) the date by which the eligible corporation must provide to the Minister the information required under section 6(2).

**(3)** The preliminary tax credit amount under subsection (2)(a) is the lesser of the following:

- (a) the estimated tax credit amount, as determined by the formula set out in the Schedule;
- (b) the maximum tax credit amount prescribed by the regulations;
- (c) the remaining amount available from the funds allocated under this Act for the fiscal year in which the application is made.

**(4)** If the Minister refuses to issue an authorization letter to an eligible corporation, the Minister shall promptly give notice to the corporation of the refusal.

#### **Revised authorization letter**

**5(1)** Subject to the regulations, the Minister may, on receipt from an eligible corporation of additional information or information under section 3(4) or 6(3), issue a revised authorization letter to the corporation in accordance with the regulations.

**(2)** If the Minister refuses to issue a revised authorization letter to an eligible corporation, the Minister shall promptly give notice to the corporation of the refusal.

#### **Tax credit certificate**

**6(1)** This section applies only in respect of an eligible corporation that has been issued an authorization letter under section 4 or a revised authorization letter under section 5.

**(2)** Subject to subsection (3), before the date specified on the authorization letter or the revised authorization letter under section 4(2)(c), an eligible corporation referred to in subsection (1) must,



in respect of the project for which the authorization letter or revised authorization letter was issued,

- (a) deliver to the Minister, for verification of the final project's compliance with this Act and the regulations, the final project or evidence of compliance in a form that is satisfactory to the Minister,
  - (b) confirm to the Minister's satisfaction that the eligible corporation had a permanent establishment in Alberta
    - (i) at any time during the period in which the corporation incurs eligible production costs on the project in respect of which the corporation is applying for an authorization letter, and
    - (ii) at any time during the taxation year in which the corporation provides to the Minister the information required under this subsection,
- and
- (c) provide the following information to the Minister in the form and manner required by the Minister:
    - (i) the amount of eligible production costs;
    - (ii) the designated assistance amount;
    - (iii) the amount of total production costs;
    - (iv) any other information prescribed by the regulations.

**(3)** If an eligible corporation is unable to provide the information required under subsection (2) by the date specified on the authorization letter or revised authorization letter under section 4(2)(c), the corporation shall promptly apply for a revised authorization letter by providing the following information to the Minister:

- (a) a statement that the corporation expects the project to reach completion of production;
- (b) the reasons for the corporation's delay in providing the information;



(c) any other information or records required by the Minister.

**(4)** On receipt of the information required by subsection (2), and on being satisfied that the eligible corporation has complied with this Act and the regulations, the Minister shall issue a tax credit certificate to the corporation that shows

- (a) the date of receipt by the Minister of the information required under this section, and
- (b) the amount of the tax credit that may be claimed by the corporation in the taxation year in which the date of receipt falls.

**(5)** The amount of the tax credit to be shown on a tax credit certificate issued to an eligible corporation is the lesser of the following:

- (a) the actual tax credit amount, as determined by the formula set out in the Schedule;
- (b) the preliminary tax credit amount shown in the authorization letter or the revised authorization letter.

**(6)** If the Minister refuses to issue a tax credit certificate under this section, the Minister shall promptly give notice to the eligible corporation of the refusal and provide reasons for the Minister's decision.

#### **Revocation**

**7(1)** The Minister may revoke an authorization letter, a revised authorization letter or a tax credit certificate if

- (a) any information provided by the eligible corporation to obtain the authorization letter, the revised authorization letter or the tax credit certificate is false or misleading or fails to disclose a material fact, or
- (b) the Minister considers that, at the time the authorization letter, the revised authorization letter or the tax credit certificate was issued or at a subsequent time, the eligible corporation was in contravention of this Act, the regulations or a condition that the Minister imposed or made under this Act.





(2) If the Minister revokes an authorization letter, a revised authorization letter or a tax credit certificate, the Minister shall promptly give notice to the eligible corporation of the revocation and provide reasons for the Minister's decision.

(3) If the Minister revokes a tax credit certificate, the Minister shall promptly give notice to the Finance Minister of the revocation.

#### **Reconsideration of Minister's decision**

**8(1)** If the Minister

- (a) gives notice to an eligible corporation under section 6(6) that the Minister has refused to issue a tax credit certificate, or
- (b) revokes an authorization letter, a revised authorization letter or a tax credit certificate under section 7,

the corporation may, within 30 days after being notified of the Minister's decision, request in writing that the Minister reconsider that decision and shall provide the grounds on which the request for reconsideration is made.

(2) On receipt of written representations under subsection (1), the Minister shall reconsider the matter and may rescind, vary or confirm the previous decision.

(3) The Minister shall promptly give notice to the eligible corporation of the Minister's decision to rescind, vary or confirm the previous decision.

(4) If under this section the Minister decides to rescind or vary a previous decision to revoke a tax credit certificate, the Minister shall promptly give notice to the Finance Minister of that decision.

#### **Refusal of applications, authorization letters and tax credit certificates**

**9** Notwithstanding anything to the contrary in this Act, the Minister may, for any reason, including budgetary restrictions, for any period of time, including an indefinite period of time,

- (a) refuse to accept further applications for authorization letters or to issue authorization letters, but continue to issue revised



authorization letters and tax credit certificates in respect of authorization letters that have already been issued,

- (b) refuse to accept further applications for authorization letters, but continue to
  - (i) issue authorization letters in respect of applications that have already been made, and
  - (ii) issue tax credit certificates and revised authorization letters in respect of authorization letters that have already been issued,

or

- (c) refuse to issue further authorization letters but continue to accept applications for authorization letters and issue revised authorization letters and tax credit certificates in respect of authorization letters that have already been issued.

**Examination of records, documents and things**

**10(1)** For the purposes of determining whether a corporation

- (a) is eligible to receive a tax credit certificate, or
- (b) is complying with this Act and the regulations,

the Minister may appoint a person to examine the records, documents and things of that corporation.

**(2)** At the request of the person appointed under subsection (1), the corporation, or any other person in possession of records, documents or things of the corporation, shall provide the person appointed under subsection (1) with those records, documents and things, including electronic records and documents.

**(3)** An officer or employee of the corporation shall

- (a) cooperate with and give all reasonable assistance to the person appointed under subsection (1) for the purpose of enabling that person to conduct the examination satisfactorily, and



(b) answer questions pertaining to the records, documents and things and provide other assistance that the person requests.

**(4)** Without limiting the generality of subsections (1) and (2), the person conducting an examination under this section

(a) is entitled to unrestricted access, without charge, to all records, documents and things related to the enforcement of this Act, and

(b) may make copies of any records, documents or things to which the person is entitled to unrestricted access.

### **Investigation**

**11(1)** In this section, “justice” means a justice of the peace or a judge of the Provincial Court.

**(2)** The Minister may by order

(a) appoint a person as an investigator to make whatever investigation the Minister considers appropriate for the administration of this Act, and

(b) determine the scope of the investigation.

**(3)** On the application of the Minister or the investigator appointed under subsection (2), and on being satisfied by information on oath that it is necessary and in the public interest for any purpose relating to an investigation under subsection (2), a justice may make an order authorizing the investigator

(a) to enter into the premises or on the land of a person at any reasonable time for the purpose of carrying out an inspection or examination,

(b) to require the production of any records, documents or things and to inspect or examine them, and

(c) on giving a receipt, to remove any records, documents or things inspected or examined under clause (b) for the purpose of further inspecting or examining them and making copies of them.

**(4)** Unless the justice otherwise directs, an application for an order under subsection (3) may be



- (a) made without notice to any other person, and
- (b) heard in private.

(5) An inspection or examination under subsection (3) must be completed as soon as practicable and the records, documents or things must be promptly returned to the person who produced them.

(6) A person shall not withhold, destroy, conceal or refuse to give any information or produce any record, document or thing reasonably required under this section by the investigator.

#### **Power of investigators**

**12(1)** An investigator appointed under section 11 has the same power as is vested in the Court of Queen's Bench for the trial of civil actions

- (a) to summon and enforce the attendance of witnesses,
- (b) to compel witnesses to give evidence on oath or otherwise, and
- (c) to compel witnesses to produce records, documents and things.

(2) The failure or refusal of a person summoned as a witness under subsection (1) to attend, to answer questions or to produce records, documents or things that are in that person's custody or possession makes that person, on application to the Court of Queen's Bench by the investigator, liable to be committed for contempt by the Court of Queen's Bench in the same manner as if that person were in breach of an order or judgment of that Court.

(3) Section 41 of the *Alberta Evidence Act* does not exempt a bank, as defined in that section, or any officer or employee of a bank from the operation of this section.

#### **Appointment of experts**

**13(1)** If the Minister appoints an investigator under section 11, the Minister may appoint persons having special technical or other knowledge or skills to assist and be responsible to the investigator.

(2) A person appointed under subsection (1) shall





- (a) examine records, documents and things of the person or corporation whose affairs are being investigated, and
- (b) perform other duties,

as required by the investigator.

#### **Investigator's report to the Minister**

**14** An investigator shall provide the Minister with

- (a) a full and complete report of the investigation, including all transcripts of evidence and material in the investigator's possession relating to the investigation, and
- (b) interim reports as requested by the Minister.

#### **Extension of time**

**15** The Minister may extend, with or without conditions, the time limit for the doing of anything under this Act or the regulations and may grant the extension even if the time limit to be extended has expired.

#### **Offences**

**16(1)** A person who does any of the following commits an offence:

- (a) makes a statement in any record, evidence or information submitted or given under this Act or the regulations to the Minister, to a person working for or under the Minister or to an investigator that, at the time and in the circumstances under which the statement is made, is false or misleading with respect to a material fact or omits a material fact the omission of which makes the statement false or misleading;
- (b) makes a statement in an application, report, return or other record required to be filed or furnished under this Act or the regulations that, at the time and in the circumstances under which the statement is made, is false or misleading with respect to a material fact or omits to state a material fact the omission of which makes the statement false or misleading;
- (c) withholds, destroys or conceals a record, document or thing referred to in section 10(2) after it has been requested by a person conducting an examination under that section;



- (d) contravenes section 10(3);
- (e) impedes an investigator from entering premises under section 11(3)(a);
- (f) contravenes section 11(6).

**(2)** If a corporation commits an offence under subsection (1), the corporation is liable to a fine of not more than \$100 000.

**(3)** If a corporation commits an offence under subsection (1), every director or officer of the corporation who authorized, permitted or acquiesced in the offence also commits an offence.

**(4)** If an individual commits an offence under subsection (1) or (3), the individual is liable to a fine of not more than \$50 000 or to imprisonment for a term of not more than one year, or to both a fine and imprisonment.

**(5)** A person does not commit an offence under this section in relation to a statement if the person did not know that the statement was false or misleading and, in the exercise of reasonable diligence, could not have known that the statement was false or misleading.

#### **Limitation on prosecution**

**17** No prosecution for a contravention of this Act is to be commenced more than 2 years from the date when the facts on which the alleged contravention is based first come to the knowledge of the Minister.

#### **Collection and sharing of information**

**18(1)** The Minister may collect information, including personal information, directly or indirectly, for the purposes of this Act.

**(2)** The Minister may share information collected under this Act with the Finance Minister for the purposes of administering the *Alberta Corporate Tax Act*.

#### **Regulations**

**19(1)** The Lieutenant Governor in Council may make regulations

- (a) defining any word or expression used but not defined in this Act;



- (b) restricting or broadening the definition of any word or expression defined in this Act;
- (c) prescribing any matter that is to be prescribed under this Act;
- (d) respecting the conditions and requirements to be used to determine completion of production;
- (e) respecting eligible production costs;
- (f) respecting conditions and requirements that a corporation must meet to be an eligible corporation;
- (g) respecting the requirements that a production plan must meet;
- (h) excluding types of production from the application of this Act;
- (i) respecting the making of applications or reapplications, including the making of reapplications after Alberta principal photography has started;
- (j) respecting revised authorization letters, including the issuance and content of revised authorization letters;
- (k) respecting the issuance or revocation of tax credit certificates or authorization letters;
- (l) respecting the manner and form of giving notices;
- (m) respecting the collection, use and disclosure of information, including personal information, for the purpose of this Act;
- (n) respecting any matter or thing that the Lieutenant Governor in Council considers necessary or advisable to effectively carry out the intent and purpose of this Act.

**(2)** A regulation made under subsection (1) may be made effective with reference to a period occurring before the regulation is made.



**Transitional provision**

**20(1)** Despite section 3(3), an eligible corporation may apply for an authorization letter in respect of a project after Alberta principal photography starts on the project if

- (a) the corporation applies during the period beginning on April 1, 2020 and ending on March 31, 2021, and
- (b) Alberta principal photography on the project begins during the period beginning on March 1, 2019 and ending on March 31, 2020, regardless of the date of completion of production.

**(2)** Despite section 4(1)(a), if an eligible corporation referred to in subsection (1) has reached completion of production on a project on or before March 31, 2020, the Minister may issue an authorization letter if the Minister is satisfied that the corporation will be eligible to receive a tax credit certificate in respect of the project at any time.

**Amends RSA 2000 cA-15**

**21(1)** The *Alberta Corporate Tax Act* is amended by this section.

**(2) Section 4.02 is amended**

- (a) **in subsection (3)(b) by striking out** “or interactive digital media tax credit” **and substituting** “, interactive digital media tax credit or film and television tax credit”;
- (b) **in subsection (6) by adding the following after clause (e):**
  - (f) the amount of any film and television tax credit that is paid to the corporation under section 26.94 in the taxation year.



**21(1)** Amends chapter A-15 of the Revised Statutes of Alberta 2000.

(2) Section 4.02 presently reads in part:

*(3) Section 261 of the federal Act applies for the purposes of this Act, except that*

*(b) if a particular amount that is determined in the corporation's elected functional currency, other than any Alberta SR&ED tax credit or interactive digital media tax credit to which the corporation is entitled, is deemed to be paid at any time on account of an amount payable by the corporation under this Act for the particular taxation year, the particular amount is to be converted to Canadian currency using the relevant spot rate for the day that includes that time,*

*(6) For the purposes of determining a corporation's Canadian tax results in a taxation year that is a functional currency year of the corporation, the following amounts shall be converted to the functional currency at the average exchange rate for the year determined in accordance with the regulations:*

**(3) The following is added after section 26.93:**

**Division 6  
Film and Television Tax Credit**

**Film and Television Tax Credit**

**26.94(1)** In this section,

- (a) “film and television tax credit”, in respect of a corporation for a taxation year, means the amount shown on a film and television tax credit certificate;
- (b) “film and television tax credit certificate” means a tax credit certificate issued under section 6 of the *Film and Television Tax Credit Act* to a corporation
  - (i) that shows a date of receipt of information under section 6(4) of that Act that is in the taxation year,
  - (ii) that has not been revoked under that Act, and
  - (iii) in respect of which the amount shown on the certificate has not been deducted under subsection (2) or applied or paid under subsection (3).

**(2)** A corporation may deduct from its tax otherwise payable under this Act for a taxation year an amount not exceeding the lesser of

- (a) the corporation’s film and television tax credit for the year, and
- (b) the corporation’s tax otherwise payable under this Act for the year.

**(3)** The amount, if any, by which a corporation’s film and television tax credit for the taxation year exceeds the amount referred to in subsection (2)(b) may be applied by the Provincial Minister to pay any tax, interest or penalty owing by the corporation for that or any taxation year pursuant to this Act, or any

*(e) the amount of any interactive digital media tax credit that is paid to the corporation under section 26.93 in the taxation year.*

(3) Film and Television Tax Credit.

other amount owing to the Crown in right of Alberta, and the part of the corporation's film and television tax credit not so applied shall be paid to the corporation.

**(4)** The amount deducted under subsection (2) is deemed to have been paid on account of the corporation's tax payable under this Act on the corporation's balance-due day for the taxation year.

**(5)** The amount, if any, by which a corporation's film and television tax credit for the taxation year exceeds the amount referred to in subsection (2)(b) is deemed to have been paid by the corporation on the later of the balance-due day for the year and the day on which the corporation's claim to receive the film and television tax credit for the year was received by the Provincial Minister.

**(6)** If requested by the Provincial Minister, a corporation shall provide to the Provincial Minister an original copy of the film and television tax credit certificate in respect of which

- (a) a deduction is made under subsection (2), or
- (b) an amount is applied or paid under subsection (3)

as proof of entitlement to the film and television tax credit.

**(7)** A corporation is not entitled to a film and television tax credit for a taxation year if the corporation has not applied for the tax credit in the form and manner prescribed.

**(4) Section 36(1.11) is amended by striking out "or" at the end of clause (b), adding "or" at the end of clause (c) and adding the following after clause (c):**

- (d) a corporation that is claiming a film and television tax credit under section 26.94 for the taxation year.

**(5) Section 37(1)(a) is amended by striking out "and" at the end of subclause (vi), adding "and" at the end of subclause (vii) and adding the following after subclause (vii):**

(4) Section 36(1.11) presently reads in part:

*(1.11) Subsection (1.1) does not apply to*

*(b) a corporation that is claiming an Alberta QET tax credit under section 26.92 for the taxation year, or*

*(c) a corporation that is claiming an interactive digital media tax credit under section 26.93 for the taxation year.*

(5) Section 37(1)(a) presently reads:

*37(1) A corporation that has failed to file a return for a taxation year as and when required by this Act is liable to a penalty equal to the aggregate of*

- (viii) the film and television tax credit under section 26.94 to which the corporation is entitled for the year,

**(6) Section 43 is amended**

- (a) in subsection (1) by striking out “or” at the end of clause (c), adding “or” at the end of clause (d) and adding the following after clause (d):**

- (e) the assessment is the first assessment in respect of the corporation’s film and television tax credit for the year or is an additional assessment or reassessment made on or before the day that is 3 years, in the case of a corporation eligible for the small business deduction, or 4 years, in any other case, after the day of sending of the first assessment in respect of the film and television tax credit for the year.

- (b) in subsection (1.02)**

- (a) *an amount equal to 5% of the amount by which the aggregate of*
  - (i) *the tax for the year that was unpaid when the return was required to be filed, and*
  - (ii) *the amounts paid or applied to the corporation under section 26.4 for the year**exceeds the aggregate of*
  - (iii) *the royalty tax credit to which the corporation is entitled for the year,*
  - (iv) *the amounts paid by the corporation under section 38(8) for the year on or before the day on which the return was required to be filed,*
  - (v) *the Alberta SR&ED tax credit under Division 3 of Part 6 to which the corporation is entitled for the year,*
  - (vi) *the Alberta QET tax credit under section 26.92 to which the corporation is entitled for the year, and*
  - (vii) *the interactive digital media tax credit under section 26.93 to which the corporation is entitled for the year,*

(6) Section 43 presently reads in part:

- (1) *The Provincial Minister may at any time make an assessment, reassessment or additional assessment of tax for a taxation year, interest or penalties, if any, payable under this Act by a corporation, notify in writing any corporation by whom a return for a taxation year has been filed that no tax is payable for the year, or determine the corporation's entitlement to and the amount, if any, of a refundable tax credit for a taxation year, except that an assessment, reassessment or additional assessment may be made after the corporation's normal reassessment period in respect of the year only if*
  - (c) *the assessment is the first assessment in respect of the corporation's Alberta SR&ED tax credit for the year or is an additional assessment or reassessment made on or before the day that is 3 years, in the case of a corporation eligible for the small business deduction, or 4 years, in any other case,*

- (i) **by striking out “subsection (1)(a), (b), (b.1), (c) or (d)” and substituting “subsection (1)(a), (b), (b.1), (c), (d) or (e)”;**
- (ii) **by striking out “and” at the end of clause (c), adding “and” at the end of clause (d) and adding the following after clause (d):**
  - (e) where subsection (1)(e) applies to the assessment, reassessment or additional assessment, the film and television tax credit to which the corporation was entitled.

**(7) Section 77(5)(a) is amended by adding the following after subclause (x):**

- (xi) to be used solely for the purposes of identifying a person and an amount deducted by or paid to that person or applied by the Provincial Minister to pay any tax, interest or penalty owing by that person under section 26.94 pursuant to a film and television tax credit certificate issued under the *Film and Television Tax Credit Act*;

**Coming into force**

**22** This Act comes into force on Proclamation.



*after the day of sending of the first assessment in respect of the Alberta SR&ED tax credit for the year, or*

- (d) the assessment is the first assessment in respect of the corporation's interactive digital media tax credit for the year or is an additional assessment or reassessment made on or before the day that is 3 years, in the case of a corporation eligible for the small business deduction, or 4 years, in any other case, after the day of sending of the first assessment in respect of the interactive digital media tax credit for the year.*

*(1.02) Notwithstanding subsections (1) and (2), an assessment, reassessment or additional assessment to which subsection (1)(a), (b), (b.1), (c) or (d) applies in respect of a corporation for a taxation year may be made after the corporation's normal reassessment period in respect of the year to the extent that, but only to the extent that, it can reasonably be regarded as relating to,*

- (c) where subsection (1)(c) applies to the assessment, reassessment or additional assessment, the amount of the Alberta SR&ED tax credit to which the corporation was entitled, and*
- (d) where subsection (1)(d) applies to the assessment, reassessment or additional assessment, the interactive digital media tax credit to which the corporation was entitled.*

(7) Section 77(5)(a) presently reads in part:

*(5) Tax information may be communicated as follows:*

- (a) to a person employed or engaged by the Government of Alberta if the tax information is*
  - (x) to be used solely for the purposes of identifying a person and an amount deducted by that person under section 26.93 pursuant to an interactive digital media tax credit certificate*

**22** Coming into force.

**Schedule**  
**Formulas for Tax Credit**  
**Amounts**

**Estimated tax credit amount**

**1** The estimated tax credit amount referred to in section 4(3)(a) of this Act is the amount determined by the formula

$$X = (A-B) \times 22\%$$

where

X is the estimated tax credit amount;

A is the estimated eligible production costs;

B is the estimated designated assistance amount.

**Actual tax credit amount**

**2** The actual tax credit amount referred to in section 6(5)(a) of this Act is the amount determined by the formula

$$X = (A-B) \times 22\%$$

where

X is the actual tax credit amount;

A is the eligible production costs;

B is the designated assistance amount.

## Schedule 2

# LOCAL GOVERNMENT FISCAL FRAMEWORK ACT

## Chapter L-21.5

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### Schedule

#### **Preamble**

WHEREAS the Government of Alberta recognizes the importance of working together with Alberta's local governments in a spirit of partnership in the provision of funding for local infrastructure;

WHEREAS local governments desire funding predictability and flexibility to support the provision of local infrastructure and to facilitate economic prosperity;

WHEREAS the Government of Alberta is committed to a new funding framework for local governments beginning in the 2022-2023 fiscal year; and

WHEREAS it is prudent for the Government of Alberta to provide funding to local governments in a way that provides for them to share in the risks and returns of variability in provincial revenues:

## Definitions

**1** In this Act,

- (a) “Calgary” means the City of Calgary;
- (b) “Edmonton” means the City of Edmonton;
- (c) “fiscal year” means the fiscal year of the Crown in right of Alberta;
- (d) “funding” means funding under this Act;
- (e) “funding agreement” means an agreement entered into by the Minister under section 2;
- (f) “local government”, except in Part 3 of the Schedule, means a municipal authority, a Metis settlement or the Townsite of Redwood Meadows Administration Society;
- (g) “Minister” means the Minister determined under section 16 of the *Government Organization Act* as the Minister responsible for this Act;
- (h) “municipal authority” means municipal authority as defined in the *Municipal Government Act*;
- (i) “population” means the population of a local government as determined by the Minister.

## Funding agreements

**2(1)** Subject to this Act and the regulations, the Minister may enter into agreements providing for funding to local governments.

**(2)** A funding agreement may contain terms and conditions in respect of any matter relating to the funding.

**(3)** Subject to subsection (4), a Municipal Sustainability Initiative Memorandum of Agreement between Her Majesty the Queen in Right of Alberta (as represented by the Minister responsible for the *Municipal Government Act* under the authority of the *Municipal Affairs Grants Regulation* (AR 123/2000)) and a local government, executed before and still in force on the coming into force of this Act, is, in so far as it relates to capital funding, deemed to be a funding agreement entered into under subsection (1).

(4) Any provision in a Memorandum of Agreement described in subsection (3) that is inconsistent with this Act is void.

#### **Local government funding**

**3** The amount of funding for a local government that is a party to a funding agreement is to be determined in accordance with the Schedule.

#### **Authority to establish formulas**

**4(1)** For the purpose of sections 2(1) and 8 of the Schedule, the Minister may, in the Minister's sole discretion, establish formulas for determining a local government's share of the available funding specified in those sections of the Schedule.

**(2)** Notwithstanding the establishment of a formula under subsection (1) for determining a local government's share of the available funding under section 2(1) or 8 of the Schedule, the Minister may vary a local government's share of the available funding under those sections of the Schedule from the share determined under the formula if the Minister considers it necessary or advisable to do so.

**(3)** The Minister may establish different formulas under subsection (1) for different local governments or different classes of local governments.

**(4)** A formula established under subsection (1) may apply in respect of one or more fiscal years.

**(5)** Where a determination under subsection (1) applies in respect of a fiscal year but the local government's share of the available funding is not provided under a funding agreement within 5 fiscal years, the Minister may, in the 6th or any subsequent fiscal year, reallocate the funding not provided.

#### **Payments**

**5** A payment from the amounts available under the Schedule may be made only pursuant to a funding agreement and in accordance with the Schedule.

#### **Eligible expenditures**

**6** Funding may be used only to pay or defray the cost of expenditures permitted under the funding agreement.

### **Accounting for use of funding**

**7(1)** The Minister may at any time require the recipient of funding to report in writing, to the satisfaction of the Minister, on the use of the funding.

**(2)** A report referred to in subsection (1) must be in a form satisfactory to the Minister and must contain any other information required by the Minister.

**(3)** The recipient of funding must permit the Minister or a person authorized by the Minister to examine any document or other record relating to the use of the funding.

### **Amounts owing to the Crown**

**8** If a local government that is to receive funding owes an amount to the Crown in right of Alberta, the Minister may deduct from the funding all or a portion of the amount owing.

### **Refund of funding**

**9(1)** Where a recipient of funding does not use all the funding in accordance with the funding agreement, the recipient must refund the surplus funding to the Minister.

**(2)** Where a recipient of funding does not comply with any term or condition of the funding agreement or does not use the funding in accordance with this Act, the Minister may require the recipient to repay all or part of the funding to the Minister.

**(3)** Any surplus required to be refunded under subsection (1) or any amount required to be repaid under subsection (2) constitutes a debt owed to the Crown in right of Alberta.

**(4)** The Minister may, in the Minister's sole discretion, reallocate any surplus required to be refunded under subsection (1) or any amount required to be repaid under subsection (2) as if the amount refunded or repaid had not been provided under a funding agreement.

### **Minister's report**

**10(1)** This section applies in respect of every fiscal year after the 2022-2023 fiscal year.

**(2)** Subject to subsection (3), the Minister shall prepare a report setting out for the applicable fiscal year the information required to

calculate the funding for Calgary and Edmonton under sections 4, 5 and 6 of the Schedule and for all other local governments under section 9 of the Schedule.

(3) A report under this section for an applicable fiscal year must be made public on or before September 30 of the fiscal year 2 years prior to the applicable fiscal year.

#### **Regulations**

11 The Lieutenant Governor in Council may make regulations respecting any matter the Lieutenant Governor in Council considers advisable to carry out the purpose of this Act.

#### **Coming into force**

12 This Act comes into force on Proclamation.

### **Schedule**

#### **Annual Funding**

#### **Interpretation**

1(1) In this Schedule,

- (a) “change in fiscal policy” means a change in fiscal policy by way of the enactment, amendment or repeal of an Act or regulation or the exercise of a power or duty under an Act or regulation resulting in the creation or discontinuation of a source of revenue, or the increase or decrease in revenue from a source of revenue;
- (b) “education property tax requisition” means
  - (i) an amount required to be paid into the Alberta School Foundation Fund under section 167 of the *Education Act* that is raised by imposing a rate referred to in that section, or
  - (ii) the requisition of school boards under Part 6, Division 3 of the *Education Act*;
- (c) “provincial revenue”, in respect of a fiscal year, means the amount reported as total revenue for the fiscal year in the consolidated financial statements of the Province under

section 8(2)(a) of the *Fiscal Planning and Transparency Act*, minus the reported revenue paid into the Climate Change and Emissions Management Fund established under section 10 of the *Climate Change and Emissions Management Act*.

(2) For the purpose of subsection (1)(a) and sections 6(3) and 9(4), “source of revenue” means a tax, levy, premium or royalty.

### **Part 1 Municipal Sustainability Initiative Capital Funding**

#### **Capital funding for fiscal years before 2022-2023 fiscal year**

**2(1)** Subject to subsection (2), where the Minister enters into a funding agreement under section 2(1) of this Act with a local government for one or more of the 2019-2020, 2020-2021 and 2021-2022 fiscal years, the local government is entitled, subject to the terms and conditions of the agreement, to receive the amount determined by the Minister to be the local government’s share of the available capital funding for each of those fiscal years.

(2) The aggregate amount available for providing capital funding to local governments under subsection (1) is \$2 500 973 000.

### **Part 2 Available Capital Funding for Calgary and Edmonton**

#### **Capital funding for 2022-2023 and subsequent fiscal years**

**3(1)** The aggregate amount available for providing capital funding to Calgary and Edmonton under this Part for the 2022-2023 fiscal year is \$455 000 000.

(2) The amount available for providing capital funding to Calgary and Edmonton under this Part after the 2022-2023 fiscal year comprises the amount determined under section 6(1).

#### **Capital funding for Calgary**

**4(1)** Where the Minister enters into a funding agreement with Calgary for one or more fiscal years after the 2021-2022 fiscal year, Calgary is entitled, subject to the terms and conditions of the



agreement, to receive in each fiscal year under the agreement the percentage, determined under subsection (2), of the available capital funding specified in section 3(1) or determined under section 6(1), whichever is applicable for the fiscal year.

(2) For the purpose of subsection (1), the percentage for an applicable fiscal year is calculated in accordance with the following formula:

$$\left[ \left( 0.48 \times \frac{A}{A+B} \right) + \left( 0.48 \times \frac{C}{C+D} \right) + \left( 0.04 \times \frac{E}{E+F} \right) \right] \times 100\%$$

where

- A is the municipal population of Calgary determined in the fiscal year 3 years prior to the applicable fiscal year;
- B is the municipal population of Edmonton determined in the fiscal year 3 years prior to the applicable fiscal year;
- C is the aggregate amount of the education property tax requisitions to be paid by Calgary calculated as of the day, in the fiscal year 3 years prior to the applicable fiscal year, on which the consolidated fiscal plan is required to be made public under section 4(4) of the *Fiscal Planning and Transparency Act*;
- D is the aggregate amount of the education property tax requisitions to be paid by Edmonton calculated as of the day, in the fiscal year 3 years prior to the applicable fiscal year, on which the consolidated fiscal plan is required to be made public under section 4(4) of the *Fiscal Planning and Transparency Act*;
- E is the number of kilometres of open roads maintained by Calgary, as of December 31 in the fiscal year 3 years prior to the applicable fiscal year, as reported to the Minister under section 577 of the *Municipal Government Act*;
- F is the number of kilometres of open roads maintained by Edmonton, as of December 31 in the fiscal year 3 years prior to the applicable fiscal year, as reported to the Minister under section 577 of the *Municipal Government Act*.

### Capital funding for Edmonton

**5(1)** Where the Minister enters into a funding agreement with Edmonton for one or more fiscal years after the 2021-2022 fiscal year, Edmonton is entitled, subject to the terms and conditions of the agreement, to receive in each fiscal year under the agreement the percentage, determined under subsection (2), of the available capital funding specified in section 3(1) or determined under section 6(1), whichever is applicable for the fiscal year.

**(2)** The percentage for the purpose of subsection (1) is calculated in accordance with the following formula:

$$\left[ \left( 0.48 \times \frac{B}{A+B} \right) + \left( 0.48 \times \frac{D}{C+D} \right) + \left( 0.04 \times \frac{F}{E+F} \right) \right] \times 100\%$$

where

- A is the municipal population of Calgary determined in the fiscal year 3 years prior to the applicable fiscal year;
- B is the municipal population of Edmonton determined in the fiscal year 3 years prior to the applicable fiscal year;
- C is the aggregate amount of the education property tax requisitions to be paid by Calgary calculated as of the day, in the fiscal year 3 years prior to the applicable fiscal year, on which the consolidated fiscal plan is required to be made public under section 4(4) of the *Fiscal Planning and Transparency Act*;
- D is the aggregate amount of the education property tax requisitions to be paid by Edmonton calculated as of the day, in the fiscal year 3 years prior to the applicable fiscal year, on which the consolidated fiscal plan is required to be made public under section 4(4) of the *Fiscal Planning and Transparency Act*;
- E is the number of kilometres of open roads maintained by Calgary, as of December 31 in the fiscal year 3 years prior to the applicable fiscal year, as reported to the Minister under section 577 of the *Municipal Government Act*;

F is the number of kilometres of open roads maintained by Edmonton, as of December 31 in the fiscal year 3 years prior to the applicable fiscal year, as reported to the Minister under section 577 of the *Municipal Government Act*.

**Available capital funding for fiscal years after 2022-2023 fiscal year**

**6(1)** For a fiscal year after the 2022-2023 fiscal year, the available capital funding for Calgary and Edmonton for the applicable fiscal year is the amount calculated in accordance with the following formula and rounded to the nearest dollar:

$$G \times H$$

where

G is the revenue index factor calculated in accordance with subsection (2) for the applicable fiscal year;

H is the available capital funding under this Part for the fiscal year one year prior to the applicable fiscal year.

**(2)** For the purpose of subsection (1), the revenue index factor for an applicable fiscal year is the number calculated in accordance with the following formula and rounded to the nearest thousandth:

$$\left(\frac{I-J}{J} \times 0.5\right) + 1$$

where

I is the provincial revenue for the fiscal year 3 years prior to the applicable fiscal year adjusted, if applicable, in accordance with subsection (3);

J is the provincial revenue for the fiscal year 4 years prior to the applicable fiscal year.

**(3)** For the purpose of I in the formula referred to in subsection (2), the provincial revenue for a fiscal year is adjusted, if applicable,

(a) by deducting the amount, as determined by the Minister, of any increase of \$100 000 000 or more in any source of

revenue for that fiscal year resulting from a change in fiscal policy, and

- (b) by adding the amount, as determined by the Minister, of any decrease of \$100 000 000 or more in any source of revenue for that fiscal year resulting from a change in fiscal policy.

### **Part 3 Available Capital Funding for Local Governments (Excluding Calgary and Edmonton)**

#### **Definition**

**7** In this Part, “local government” means a municipal authority, a Metis settlement or the Townsite of Redwood Meadows Administration Society but does not include Calgary or Edmonton.

#### **Capital funding for fiscal years after 2021-2022 fiscal year**

**8** Where the Minister enters into a funding agreement with a local government for one or more fiscal years after the 2021-2022 fiscal year, the local government is entitled, subject to the terms and conditions of the agreement, to receive in each fiscal year under the agreement the amount determined by the Minister to be the local government’s share of the available capital funding specified in section 9(1) or determined under section 9(2), whichever is applicable for the fiscal year.

#### **Available capital funding**

**9(1)** The amount of available capital funding for local governments for the 2022-2023 fiscal year is \$405 000 000.

**(2)** For a fiscal year after the 2022-2023 fiscal year, the available capital funding for the applicable fiscal year is the amount calculated in accordance with the following formula and rounded to the nearest dollar:

$$P \times Q$$

where

**P** is the revenue index factor calculated in accordance with subsection (3) for the applicable fiscal year;

Q is the available capital funding under this Part for the fiscal year one year prior to the applicable fiscal year.

(3) For the purpose of subsection (2), the revenue index factor for an applicable fiscal year is the number calculated in accordance with the following formula and rounded to the nearest tenth-thousandth:

$$\left(\frac{R-S}{S} \times 0.5\right) + 1$$

where

R is the provincial revenue for the fiscal year 3 years prior to the applicable fiscal year adjusted, if applicable, in accordance with subsection (4);

S is the provincial revenue for the fiscal year 4 years prior to the applicable fiscal year.

(4) For the purpose of R in the formula referred to in subsection (3), the provincial revenue for a fiscal year is adjusted, if applicable,

- (a) by deducting the amount, as determined by the Minister, of any increase of \$100 000 000 or more in any source of revenue for that fiscal year resulting from a change in fiscal policy, and
- (b) by adding the amount, as determined by the Minister, of any decrease of \$100 000 000 or more in any source of revenue for that fiscal year resulting from a change in fiscal policy.

## Schedule 3

# PUBLIC TRANSIT AND GREEN INFRASTRUCTURE PROJECT ACT

## Chapter P-43.8

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### **Definitions**

**1** In this Act,

- (a) “bilateral agreement” means the Canada-Alberta Integrated Bilateral Agreement for the Investing in Canada Infrastructure Program entered into between the Government of Canada and the Crown effective April 3, 2018, as amended from time to time;
- (b) “Crown” means the Crown in right of Alberta;
- (c) “funding agreement” means a future funding agreement that may be entered into between the Crown and the City of

Edmonton for the purposes of the construction of a light rail transit project;

- (d) “grant agreement” means the Grant Agreement Public Transit and Green Infrastructure Project entered into between the Crown and the City of Calgary effective January 30, 2019, as amended from time to time;
- (e) “Minister” means the Minister of Transportation.

#### **Application**

**2** This Act applies to

- (a) the City of Calgary in respect of the grant agreement, and
- (b) the City of Edmonton in respect of any funding agreement.

#### **Bilateral agreement**

**3** The provisions of this Act and the regulations apply in addition to any commitments made by the Crown that form part of any terms and conditions in the bilateral agreement.

#### **Aggregate funding commitment**

**4** The Crown commits to providing \$1 530 000 000 to the City of Calgary and \$1 470 000 000 to the City of Edmonton by the end of fiscal year 2027-2028 for the purposes of the construction of light rail transit projects.

#### **Amendment of grant agreement**

**5(1)** The grant agreement is amended by this section.

**(2)** Notwithstanding Schedule E of the grant agreement, the Lieutenant Governor in Council may by regulation prescribe the funding that will be provided and disbursed to the City of Calgary.

**(3)** Notwithstanding Schedules D and F of the grant agreement, the Minister may by regulation amend the auditing and financial reporting requirements that must be met by the City of Calgary.

**(4)** Notwithstanding Schedule A of the grant agreement, the Minister may by regulation amend the eligible and ineligible expenditures.

**(5)** The grant agreement is deemed to have been amended on the coming into force of this Act or as specified in the regulations.

#### **Funding to the City of Edmonton**

**6** Notwithstanding any term or condition in a funding agreement that sets out how funding will be provided and disbursed to the City of Edmonton, the Lieutenant Governor in Council may by regulation prescribe the funding that will be provided and disbursed to the City of Edmonton.

#### **Amendment to grant agreement or funding agreement**

**7** The Minister may amend any term, condition or provision of the grant agreement or a funding agreement by regulation.

#### **Amendment to other contracts or agreements**

**8** Any other contract or agreement that a third party has entered into to implement the construction of the light rail transit project that is the subject of the grant agreement or a funding agreement is deemed to have been amended on the coming into force of this Act or is amended or deemed to have been amended as specified in the regulations.

#### **Material change to project**

**9(1)** In this section, “City” means

- (a) the City of Calgary in respect of the grant agreement, and
- (b) the City of Edmonton in respect of a funding agreement.

**(2)** Subject to the terms and conditions in the grant agreement or a funding agreement, if the City seeks to materially change any portion of a project that is the subject of the grant agreement or a funding agreement, the City must, as soon as possible, provide the Minister with

- (a) details of the proposed changes, and
- (b) any other related information the Minister requests respecting the proposed changes.

**(3)** Any proposed changes and related information submitted to the Minister under subsection (2) must be approved by the Minister prior to the City proceeding with the changes to the project.

**(4)** The Minister may modify or impose additional terms and conditions prior to approving the proposed changes to the project.



### **Termination of grant agreement or funding agreement**

**10(1)** The Lieutenant Governor in Council may, by order, with a minimum of 90 days' notice to the City of Calgary, terminate the grant agreement without cause.

**(2)** The Lieutenant Governor in Council may, by order, with a minimum of 90 days' notice to the City of Edmonton, terminate a funding agreement without cause.

### **Extinguishment of causes of action**

**11(1)** No action or proceeding, either in law or in equity, lies or shall be commenced against the Crown, any current or former member of the Executive Council or any current or former employee or agent of or advisor to the Crown as a direct or indirect result of

- (a) the enactment, operation, administration or repeal of any provision of this Act or the regulations,
- (b) anything done or omitted to be done under this Act or the regulations,
- (c) any amendment, revocation, cessation or termination of contractual or other rights under this Act or the regulations, or
- (d) any representation or other conduct that is related, directly or indirectly, to the grant agreement or a funding agreement.

**(2)** Without limiting the generality of subsection (1), that subsection applies to an action or proceeding in contract, restitution, tort, misfeasance, bad faith, trust, fiduciary obligation or otherwise claiming any remedy or relief, including

- (a) specific performance, injunction or declaratory relief, and
- (b) any form of damages or compensation or any other remedy or relief.

**(3)** Subsections (1) and (2) apply regardless of whether the cause of action on which the proceeding is purportedly based arises before, on or after the day this Act or the regulations made under this Act come into force.

(4) Any proceeding referred to in subsection (1) or (2) that is commenced before the day this Act or the regulations made under this Act come into force is deemed to have been dismissed, without costs, on the day this Act or the regulations made under this Act come into force.

**No compensation**

**12** No person is entitled to any compensation or any other remedy or relief for the amendment, revocation, cessation or termination of an instrument or of contractual or other rights under this Act or the regulations.

**Expropriation**

**13** Nothing in this Act or the regulations and nothing done or omitted to be done in accordance with this Act or the regulations constitutes an expropriation or injurious affection for the purposes of the *Expropriation Act*.

**Conflict**

**14** If there is a conflict between this Act or the regulations and

- (a) another enactment, or
- (b) the grant agreement or a funding agreement,

this Act or the regulations apply.

**No more favourable terms and conditions**

**15** For the purposes of any funding agreement entered into on or after the coming into force of this Act between the Crown and the City of Edmonton, the Crown must ensure that the terms and conditions of the funding agreement are no more favourable than the terms and conditions of the grant agreement, including terms and conditions respecting eligible and ineligible expenses and auditing and financial reporting requirements, as amended by this Act or the regulations.

**Regulations**

**16(1)** The Lieutenant Governor in Council may make regulations

- (a) defining any term that is used but not defined in this Act;

- (b) respecting the effective date of any amendments made under this Act or the regulations to the grant agreement or a funding agreement;
  - (c) respecting any matter that the Lieutenant Governor in Council considers necessary or advisable to carry out the intent and purposes of this Act.
- (2)** A regulation made under this section may be made retroactive to the extent set out in the regulation.

