

# *The Motor Vehicle Insurance Premiums Tax Act*

*being*

[Chapter M-23](#) of *The Revised Statutes of Saskatchewan, 1978* (effective February 26, 1979) as amended by the *Statutes of Saskatchewan, 1979-80, c.92; 1983-84, c.16; 1984-85-86, c.38 and 63; 1986, c.33; 1988-89, c.4; 2004, T-18.1; 2015, c.I-9.11; and 2018, c.42.*

**NOTE:**

This consolidation is not official. Amendments have been incorporated for convenience of reference and the original statutes and regulations should be consulted for all purposes of interpretation and application of the law. In order to preserve the integrity of the original statutes and regulations, errors that may have appeared are reproduced in this consolidation.

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## CHAPTER M-23

### An Act to impose a Tax on the Income derived from Motor Vehicle Insurance Premiums in order to raise Moneys to assist in financing Programs of Instruction respecting the safe operation of Motor Vehicles

#### Short title

1 This Act may be cited as *The Motor Vehicle Insurance Premiums Tax Act*.

#### Interpretation

2 In this Act:

- (a) “**company**” means insurance company;
- (b) “**high school**” includes an institution that provides courses of educational instruction substantially similar to the courses set out in the curricula established by the Department of Education for high schools under *The Secondary Education Act*;
- (c) “**insurance**” means insurance as defined in *The Insurance Act*;
- (d) “**insurance company**” means a person or corporation that carries on or, under *The Insurance Act*, is deemed to carry on a motor vehicle insurance business in the province, and includes The Saskatchewan Government Insurance Office and underwriters or syndicates of underwriters operating on the plan known as Lloyd’s;
- (e) “**minister**” means the member of the Executive Council to whom for the time being the administration of this Act is assigned;
- (f) “**motor vehicle**” means a motor vehicle, trailer or semi-trailer, as defined in *The Traffic Safety Act*, that is either registered or required to be registered under that Act or licensed or required to be licensed under the *Motor Vehicle Transport Act* (Canada) or in respect of which there is an instrument issued as a policy of insurance in a form authorized under Division 3 of Part VIII of *The Insurance Act*;
- (g) “**motor vehicle insurance**” means insurance against liability for loss or damage to persons or property caused by a motor vehicle or the use or operation thereof, and against loss of or damage to a motor vehicle, but does not include insurance against loss of or damage to, or liability for loss of or damage to, property carried in or on a motor vehicle unless the insurance is under a contract to which Division 3 of Part VIII of *The Insurance Act* applies;

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(h) “**premium**” means a single or periodic payment made as consideration under a contract of motor vehicle insurance and includes a basic or additional premium paid under *The Automobile Accident Insurance Act*;

(i) “**superintendent**” means the Superintendent of Insurance.

R.S.S. 1978, c.M-23, s.2; 1984-85-86, c.63, s.10;  
1986, c.33, s.17; 2004, c.T-18.1, s.297; 2015,  
c.I-9.11, s.11-9.

**NOTIFICATION****Notice re operations**

**3** Every insurance company that is engaged in the business of insurance in the province at the commencement of this Act, or that thereafter is so engaged, shall forthwith notify the superintendent of the fact that it is engaged in the business of insurance, and upon discontinuance of such business shall forthwith notify the minister of the discontinuance.

R.S.S. 1978, c.M-23, s.3.

**GRANTS****Power of Lieutenant Governor in Council**

**4** The Lieutenant Governor in Council may by order, on the recommendation of the Minister of Education and subject to such terms and conditions as may be specified in the order, make grants:

(a) to high schools in each academic year in respect of students who are enrolled at the high schools and who, in courses approved by the Department of Education and conducted by or provided for the high schools, receive instructions with regard to the skill and knowledge necessary for the safe operation of a motor vehicle;

(b) to persons who are receiving training, that has been approved by the Department of Education, to become qualified to instruct other persons with regard to the skill and knowledge necessary for the safe operation of a motor vehicle.

R.S.S. 1978, c.M-23, s.4.

**TAXATION, RETURNS, ETC.****Tax on gross motor vehicle insurance premiums**

**5(1)** Subject to subsection (2), every insurance company shall pay to the minister a tax in respect of motor vehicle insurance premiums of one per cent calculated on the gross premiums receivable by the company or its agent or agents during each year in respect of motor vehicle insurance business transacted in the province, other than premiums in respect of re-insurance ceded to the company by other insurance companies, after deducting from such gross premiums the cash value of dividends paid or credited to policy holders and any premiums returned.

(2) In determining the amount of the tax payable under subsection (1) every premium that, by the terms of the motor vehicle insurance policy or renewal thereof, becomes payable in respect of a motor vehicle:

- (a) registered or required to be registered under *The Traffic Safety Act*;
- (b) licensed or required to be licensed by The Highway Traffic Board under the *Motor Vehicle Transport Act* (Canada);

shall be deemed to be a premium payable in respect of motor vehicle insurance business transacted in the province whether or not:

- (c) the premium is earned wholly or partly in Saskatchewan;
- (d) the payment of the premium is made wholly or partly in Saskatchewan.

R.S.S. 1978, c.M-23, s.5; 1984-85-86, c.63, s.10;  
1986, c.33, s.17; 2004, c.T-18.1, s.297.

**Administration, remission, enforcement**

**5.1** Unless otherwise provided for in this Act, Part III of *The Revenue and Financial Services Act* and the regulations made pursuant to that Part apply to the administration, enforcement and remission of all taxes imposed pursuant to this Act.

1984-85-86, c.63, s.10; 1988-89, c.42, s.65.

**6 to 18 Repealed.** 1984-85-86, c.63, s.10.

RECOVERY OF TAXES

**Tax constitutes a lien**

**19(1)** The tax imposed or assessed under this Act forms a lien and charge in favour of the Crown in right of Saskatchewan on the entire assets of the insurance company including any assets in the hands of a trustee and has priority over all other claims of every person, except claims secured by registered liens and charges or encumbrances thereon registered prior to the imposition or assessment.

(2) The liens and charges created by this section and their priority shall not be lost or impaired by any neglect, omission or error of the superintendent, or of any agent or officer of the Government of Saskatchewan or by the taking or failure to take proceedings to recover the taxes due, or by the tender or acceptance of a partial payment of the taxes, or by want of registration.

R.S.S. 1978, c.M-23, s.19; 2018, c.42, s.65.

**20 to 32 Repealed.** 1984-85-86, c.63, s.10.

GENERAL

**33. Repealed.** 1984-85-86, c.63, s.10.

**Regulations**

**34** For the purpose of carrying out the provisions of this Act according to their intent, the Lieutenant Governor in Council may make such regulations as are ancillary thereto and are not inconsistent therewith; and every regulation made under and in accordance with the authority granted by this section has the force of law.

R.S.S. 1978, c.M-23, s.34.

**35 Repealed.** 1984-85-86, c.63, s.10.