

1990  
CHAPTER 20

An Act to amend The Labour-sponsored  
Venture Capital Corporations Act

(Assented to June 22, 1990)

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

Short title

1 This Act may be cited as The Labour-sponsored Venture Capital Corporations Amendment Act, 1990.

S.S. 1986, c.L-0.2 amended

2 The Labour-sponsored Venture Capital Corporations Act is amended in the manner set forth in this Act.

Section 2 amended

3 The following subsection is added after subsection 2(2):  
"(3) Notwithstanding subsection (2), the definitions and interpretations contained in or made by or pursuant to the Income Tax Act (Canada), as amended from time to time, apply with respect to subsection 12(2) and subclause 12(3)(a)(ii)".

New section 12  
Investment incentives

4 Section 12 is repealed and the following substituted:  
"12(1) Subject to subsection (4) and section 13, for the 1986 and subsequent taxation years, an eligible investor may apply to the minister on a form prescribed by the minister for a tax credit, and the minister may allow the tax credit for a taxation year where eligible equity shares were issued to the eligible investor by a labour-sponsored venture capital corporation and acquired by the eligible investor in the taxation year or within 60 days after the end of the taxation year.  
"(2) Subject to subsection (4) and section 13, for the 1989 and subsequent taxation years, an individual residing in Saskatchewan on the last day of a taxation year who is entitled to a labour-sponsored funds tax credit pursuant to paragraph 127.4(3)(b) of the Income Tax Act (Canada), as amended from time to time, is eligible for a tax credit for the same taxation year, and the minister may allow the tax credit where the minister is satisfied that the individual meets the requirements of that paragraph.

"(3) The tax credit for any individual allowed for a taxation year pursuant to this section shall not exceed the lesser of:

- (a) the total of:
  - (i) 20% of the total acquisition cost to the eligible investor of the eligible equity shares described in subsection (1), if any; and
  - (ii) the amount, if any, determined pursuant to paragraph 127.4(3)(b) of the Income Tax Act (Canada), as amended from time to time; and
- (b) \$700.

"(4) The minister may allow a tax credit to an individual pursuant to subsection (1) or (2) or both subsections (1) and (2):

- (a) where the minister:
  - (i) has received any information from or on behalf of the individual that the minister considers necessary; and
  - (ii) is satisfied that the individual meets the requirements of this Act and the regulations; and
- (b) only to the extent that a tax credit has not been allowed to the individual for the immediately preceding taxation year with respect to the same transaction.

"(5) The minister shall provide an individual who is allowed a tax credit pursuant to subsection (4) with a completed tax credit form certified by the minister".

3 amended

5(1) Subsection 13(1) is amended by striking out "eligible investor" and substituting "individual".

(2) Subsection 13(2) is amended:

- (a) by striking out "eligible investor" and substituting "individual"; and
- (b) by striking out "subsection 12(2)" and substituting "subsection 12(5)".

into force

6 This Act comes into force on a day to be fixed by proclamation of the Lieutenant Governor but is retroactive and, on the day on which this Act is proclaimed in force, is deemed to have been in force on and from January 1, 1989.