

2003

CHAPTER 26

An Act to amend *The Income Tax Act, 2000* and to make consequential and related amendments to other Acts

(Assented to June 27, 2003)

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 Income Tax Amendment Act, 2003*.

S.S. 2000, c.I-2.01 amended

2 *The Income Tax Act, 2000* is amended in the manner set forth in this Act.

Section 30 amended

3(1) Subsection 30(1) is repealed and the following substituted:

“(1) Subject to subsections (2), (2.1) and (2.2), there may be deducted from the tax otherwise payable pursuant to this Act for a taxation year by an individual who is resident in Saskatchewan on the last day of the taxation year a post-secondary graduate credit in an amount equal to either:

(a) the tax credit allowed to the individual for the taxation year by section 4 of *The Post-Secondary Graduate Tax Credit Act*; or

(b) the tax credit allowed to the individual for any of the preceding four taxation years by section 4 of *The Post-Secondary Graduate Tax Credit Act* to the extent that the full amount of the tax credit has not been previously deducted pursuant to this section or section 8.3 of the old Act”.

(2) The following subsection is added after subsection 30(2.1):

“(2.2) In his or her lifetime, an individual may deduct only one tax credit that has been allowed pursuant to section 4 of *The Post-Secondary Graduate Tax Credit Act*”.

Section 56 amended

4(1) The description of C in subsection 56(4) is repealed and the following substituted:

“C is the total of:

(a) the amount, if any, by which the lesser of the amounts determined pursuant to paragraphs 137(3)(a) and (b) of the federal Act for the taxation year exceeds the least of the amounts determined pursuant to paragraphs 125(1)(a), (b) and (c) of the federal Act for the taxation year; and

(b) the least of the amounts determined pursuant to paragraphs 125(1)(a), (b) and (c) of the federal Act for the taxation year”.

(2) Subsection 56(6) is repealed and the following substituted:

- “(6) For the purposes of subsections (3), (4) and (5), the rate of tax R is:
- (a) 8% for the period ending on June 30, 2001;
 - (b) 6% for the period commencing on July 1, 2001 and ending on December 31, 2003;
 - (c) 5.5% for the period commencing on January 1, 2004 and ending on December 31, 2004; and
 - (d) 5% for the period commencing on January 1, 2005”.

Section 62 amended**5(1) Subclause 62(1)(b)(ii) is amended:**

(a) in paragraph (B) by adding “if those amounts were determined without reference to section 123.4 of the federal Act” after “by the corporation”; and

(b) by repealing paragraph (C) and substituting the following:

“(C) if the corporation was a Canadian-controlled private corporation throughout the taxation year, its aggregate investment income, as defined in subsection 129(4) of the federal Act, for the taxation year”.

(2) Subsection 62(1.1) is repealed and the following substituted:

- “(1.1) For the purposes of clause (1)(b):
- (a) the amounts determined pursuant to paragraphs 125(1)(a) and (c) of the federal Act with respect to a corporation for a taxation year are deemed to be the amounts determined in accordance with subsection 56(7); and
 - (b) if the taxation year of a corporation includes a period ending on December 31, 2001 and a period commencing on January 1, 2002, the amounts determined in accordance with subsection 56(7) are to be prorated”.

Section 96 amended**6(1) Clause 96(1)(a) is repealed and the following substituted:**

“(a) ‘**actual consideration**’ means the consideration given by an assignee to an assignor for an assignment of an entitlement to receive a refund of tax”.

(2) Subsection 96(2) is repealed and the following substituted:

- “(2) No assignment by an assignor of an entitlement to receive a refund of tax is valid if:
- (a) in the case of a refund of \$300 or less, the actual consideration is less than 85% of the amount of the refund payable to the assignor; or
 - (b) in the case of a refund greater than \$300, the actual consideration is less than \$255 plus 95% of the amount by which the refund payable to the assignor exceeds \$300”.

R.S.S. 1978, c.I-2 amended

7(1) *The Income Tax Act* is amended in the manner set forth in this section.

(2) Paragraph 7.4(1)(b)(ii)(C) is repealed and the following substituted:

“(C) if the corporation was a Canadian-controlled private corporation throughout the taxation year, its aggregate investment income, as defined in subsection 129(4) of the federal Act, for the taxation year”.

(3) The amendment set out in subsection (2) applies to taxation years ending after June 1995.

(4) Subclause 8.3(1)(c)(vii) is amended by striking out “section 4” and substituting “subject to subsection (5), section 4”.

(5) The following subsection is added after subsection 8.3(4):

“(5) In his or her lifetime, an individual may deduct only one tax credit that has been allowed pursuant to section 4 of *The Post-Secondary Graduate Tax Credit Act*”.

S.S. 2000, c.P-16.2 amended

8(1) *The Post-Secondary Graduate Tax Credit Act* is amended in the manner set forth in this section.

(2) Clause 2(d) is repealed and the following substituted:

“(d) ‘**qualified individual**’ means an individual who has graduated from an eligible program in a taxation year”.

(3) Subsection 3(1) is amended by striking out “shall” and substituting “may”.

(4) Subsection 3(2) is repealed and the following substituted:

“(2) A qualified individual who applies in accordance with subsection (1) shall provide to the minister:

(a) proof satisfactory to the minister that the qualified individual has graduated from an eligible program; and

(b) any other information that the minister may require”.

(5) Subsection 4(1) is amended:

(a) by striking out “receives an application pursuant to section 3 and is satisfied that the applicant is a qualified individual who has complied with this Act and the regulations” and substituting “is satisfied that an individual is a qualified individual”; and

(b) by striking out “allow the applicant” and substituting “allow the qualified individual”.

Coming into force

- 9(1) Subject to subsections (2) to (9), this Act comes into force on assent.
- (2) Section 3 of this Act comes into force on assent but is retroactive and is deemed to have been in force on and from January 1, 2001.
- (3) Subsection 4(1) of this Act comes into force on assent but is retroactive and is deemed to have been in force on and from January 1, 2002.
- (4) Subsection 4(2) of this Act comes into force on January 1, 2004.
- (5) Subsection 5(1) of this Act comes into force on assent but is retroactive and is deemed to have been in force on and from January 1, 2001.
- (6) Subsection 5(2) of this Act comes into force on assent but is retroactive and is deemed to have been in force on and from January 1, 2002.
- (7) Subsections 7(2) and (3) of this Act come into force on assent but are retroactive and are deemed to have been in force on and from July 1, 1995.
- (8) Subsections 7(4) and (5) of this Act come into force on assent but are retroactive and are deemed to have been in force on and from January 1, 2000.
- (9) Section 8 of this Act comes into force on assent but is retroactive and is deemed to have been in force on and from January 1, 2000.