

1979

CHAPTER 32

An Act to amend The Income Tax Act.

[Assented to May 4, 1979.]

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, 1979*.

Rev. Stat.
c. 1-2

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

Section 3
amended

3. — (1) Clause 3(5)(b) is amended by adding after “year” in the second line the following:

“, not including the tax payable under section 31.1 and the tax deductible under section 8.1,”.

(2) Clause 3(6)(a) is amended by adding after “section” in the last line “122.1,”.

(3) Subsection 3(7) is repealed and the following substituted:

“(7) For the purposes of subsection (5) and clause 7(1)(b), the non-business-income tax paid by a taxpayer to the government of a country other than Canada in respect of his income for a year is the non-business-income tax paid by him to the government of that country in respect of that year as computed under paragraph 126(7)(c) of the Federal Act for the purposes of that Act”.

Section 4
amended

4. — (1) Clause 4(c) is amended by striking out “and subsequent taxation years” in the first line and substituting “taxation year”.

(2) The following clause is added after clause 4(c):

“(d) for the 1979 and subsequent taxation years, by an amount equal to the lesser of:

(i) the tax computed under sections 3 and 5 for the taxation year; and

(ii) the amount by which the aggregate of \$160 plus the lesser of:

(A) \$240; and

(B) the product obtained when \$40 is multiplied by the number of children of the individual who are under the age of eighteen years at any time during the taxation year, who are resident in Canada during the year, and in respect of whom an amount is deductible by the individual under paragraph 109(1)(b), (d) or (e) of the Federal Act from his income for the taxation year;

exceeds twenty per cent of the amount by which the tax computed under sections 3 and 5 for the taxation year exceeds the total obtained by adding \$160 and the amount determined under paragraph (A) or (B), as the case may be”.

New sections
8.1 and 8.2

5. The following sections are added after section 8:

“SASKATCHEWAN MORTGAGE INTEREST TAX CREDIT.

Mortgage
interest
credit

“**8.1**—(1) For the 1979 and subsequent taxation years, there may be deducted from the tax otherwise payable under this Act pursuant to sections 3, 4 and 5 for a taxation year by an individual residing in Saskatchewan on the last day of the taxation year, on account of interest paid under a mortgage on a principal residence occupied by the individual and owned by the individual or the spouse of the individual, a tax credit that may be allowed by the regulations.

“(2) The Lieutenant Governor in Council may make regulations for the purpose of carrying out the provisions and intent of this section and, without restricting the generality of the foregoing, may make regulations:

(a) defining, restricting or enlarging, for the purposes of this section and the regulations, the meaning of any word or expression, notwithstanding that that meaning may be at variance with the meaning of the word or expression as used elsewhere in this Act;

(b) respecting any tax credit to be allowed under this section, the applicability of any such tax credit, and any restrictions, limitations, terms and conditions relating to any such tax credit.

“(3) Notwithstanding any other Act or law, any regulations made under this section may be made retroactive to a date not earlier than January 1, 1979.

“SASKATCHEWAN CAPITAL GAINS TAX REFUND.

Capital gains
tax refund

“**8.2** — (1) There may be refunded to a taxpayer who has paid tax under this Act in respect of the taxable capital gain arising on the disposition or deemed disposition, after December 31, 1978, of the taxpayer’s interest in certain residences, farms or small businesses all or such portion of the tax paid as may be allowed by the regulations.

“(2) The Lieutenant Governor in Council may make regulations for the purpose of carrying out the provisions and intent of this section and, without restricting the generality of the foregoing, may make regulations:

(a) defining, restricting or enlarging, for the purposes of this section and the regulations, the meaning of any word or expression, notwithstanding that that meaning may be at variance with the meaning of the word or expression as used elsewhere in this Act;

(b) respecting any refund of tax to be allowed under this section, the applicability of any such refund, and any restrictions, limitations, terms and conditions relating to any such refund.

“(3) Notwithstanding any other Act or law, any regulations made under this section may be made retroactive to a date not earlier than January 1, 1979.

“(4) Payments made pursuant to this section shall be paid out of the consolidated fund and shall be accounted for as a reduction of revenue otherwise receivable under this Act”.

Section 14
amended

6. Subsection 14(1) is amended:

(a) by striking out “or” after clause (k);

(b) by adding “or” after clause (l); and

(c) by adding after clause (l) the following clause:

“(m) making a payment out of or under a registered retirement income fund, as referred to in section 146.3 of the Federal Act”.

Section 53
amended

7. Subsection 53(4) is amended by striking out “that he has charge of the appropriate records,” in the fifth line.

Section 60
amended

8. Clause 60(1)(w) is amended by striking out “the Northwest Territories or” in the first line.

1979

INCOME TAX

Cap. 32

Coming into
force

9.—(1) Subject to subsections (2) to (6), this Act comes into force on the day of assent.

(2) Subsections 3(1) and (2) and section 8 of this Act come into force on the day of assent but are retroactive and are deemed to have been in force on and from January 1, 1978.

(3) Subsection 3(3) of this Act comes into force on the day of assent but is retroactive and is deemed to have been in force on and from January 1, 1978, and shall apply to the 1978 and subsequent taxation years.

(4) Sections 4 and 7 of this Act come into force on the day of assent but are retroactive and are deemed to have been in force on and from January 1, 1979.

(5) Sections 8.1 and 8.2 of *The Income Tax Act*, as being enacted by section 5 of this Act, come into force on a day or days to be fixed by proclamation of the Lieutenant Governor but are retroactive and are deemed to have been in force on and from January 1, 1979.

(6) Section 6 of this Act comes into force on the day of assent but is retroactive and is deemed to have been in force on and from June 30, 1978.