

chapter R-5

ACT RESPECTING THE RÉGIE DE L'ASSURANCE MALADIE DU QUÉBEC

1999, c. 89, s. 52.

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REPEAL SCHEDULE

CHAPTER I

ESTABLISHMENT AND ORGANIZATION OF THE BOARD

1978, c. 70, s. 1.

1. A body, hereinafter called “the Board”, is established under the name of “Régie de l’assurance maladie du Québec”.

1969, c. 53, s. 1; 1977, c. 5, s. 14; 1999, c. 89, s. 52.

2. The function of the Board shall be to administer and implement the programs of the health insurance plan instituted by the Health Insurance Act (chapter A-29) and any other program entrusted to it by law or by the Government.

The Board shall, in particular, for such purposes,

- (a) assume the cost of services and goods provided for under the programs;
- (b) control the eligibility of persons to the programs, the remuneration paid to health professionals, and payments or reimbursements made, as the case may be, to institutions, laboratories, the person dispensing the service or furnishing the goods or the person who received them;
- (c) advise the Minister of Health and Social Services on any matter he refers to it and inform him of any problem or any matter which, in its opinion, warrants examination or action by that Minister, by another minister or by any interested body with regard to the administration or implementation of a program;
- (d) organize and direct the operational research and assessment needed for proper administration and implementation of the programs;
- (e) publish any information relating to:
 - i. its management, operational research and assessment activities;
 - ii. the nature, frequency, origin, destination, distribution and cost of insured services it has paid for; and
 - iii. the total and average remuneration of health professionals, by class and specialty, by region and by type of acts;
- (f) inform the public of the possibilities of access to all services and goods it is empowered to pay and the conditions to be fulfilled to have access thereto;
- (g) inform persons who have benefited from health services of the name of the health professional, the institution, the laboratory or of any person having furnished insured services to them, the dates on which they were furnished, the cost of each service received and the total sum thus paid for those services during a given fiscal year;
- (h) establish and keep up to date, for the purposes of the Health Insurance Act, a register of health professionals and facilitate access to it by the Minister of Health and Social Services or his authorized representative for the purposes of the Health Insurance Act, the Hospital Insurance Act (chapter A-28) or any other Act under the administration of the Minister;
 - (h.0.1) *(subparagraph repealed)*;
- (i) contribute to research in the fields of health and social services;
- (j) *(subparagraph repealed)*;

(k) make recommendations to the Minister of Health and Social Services on changes in the price of medications already entered on the list provided for in section 60 of the Act respecting prescription drug insurance (chapter A-29.01).

The Board shall carry out any mandate entrusted to it by the Minister of Health and Social Services.

The Board shall be the depositary of the data relating to health and social services entrusted to it, pursuant to an agreement sent to the Commission d'accès à l'information, by the Minister of Health and Social Services, an agency referred to in the Act respecting health services and social services (chapter S-4.2), an institution within the meaning of that Act, a public health director or the regional council established by the Act respecting health services and social services for Cree Native persons (chapter S-5). The management of the data shall be assumed by the Board on behalf of the person or body having entrusted the data to the Board.

The Board shall exercise any function that is entrusted to it in accordance with the Act respecting the sharing of certain health information (chapter P-9.0001) and the Act to promote access to family medicine and specialized medicine services (chapter A-2.2).

The Board shall set up a system designed to allow every insured person, within the meaning of the Health Insurance Act, to find a health and social services professional who belongs to a class of professionals, and practises in premises belonging to a class, identified by the Minister and who agrees to provide medical care to the person in collaboration, if applicable, with other professionals. The Board shall also set up a system designed to allow every insured person to make an appointment with a health and social services professional who belongs to a class of professionals, and practises in premises belonging to a class, identified by the Minister. The Board must, at the Minister's request, evaluate the performance of these systems. The information from the systems that the Board must communicate to the Minister for health and social services assessment and evaluation purposes may be prescribed by government regulation. Subject to the access to information granted to the users of these systems, the information they contain benefits from the same protection as that provided for in Division VII of the Health Insurance Act.

The Board shall establish and update a consent registry for the post-mortem removal of organs and tissues, for use by organizations that coordinate organ or tissue donations and are designated by the Minister of Health and Social Services under section 2.0.11.

The Board shall also exercise any function delegated to the Board pursuant to an agreement with a minister.

1969, c. 53, s. 2; 1970, c. 37, s. 81; 1971, c. 47, s. 17; 1973, c. 30, s. 15; 1974, c. 40, s. 20; 1977, c. 5, s. 14; 1979, c. 1, s. 56; 1981, c. 9, s. 38; 1982, c. 53, s. 57; 1985, c. 6, s. 511; 1985, c. 23, s. 24; 1989, c. 50, s. 44; 1988, c. 51, s. 121; 1991, c. 42, s. 587; 1992, c. 21, s. 375; 1997, c. 94, s. 2; 1999, c. 22, s. 41; 1999, c. 48, s. 1; 1999, c. 89, s. 45; 2005, c. 32, s. 287; 2007, c. 31, s. 1; 2010, c. 15, s. 76; 2010, c. 38, s. 1; 2012, c. 23, s. 151; 2015, c. 25, s. 1; 2017, c. 21, s. 90; 2020, c. 6, s. 20; 2021, c. 25, s. 166; 2022, c. 16, s. 19; 2023, c. 5, s. 231.

2.0.0.1. *(Repealed).*

2007, c. 31, s. 2; 2012, c. 23, s. 152.

2.0.0.2. *(Repealed).*

2007, c. 31, s. 2; 2012, c. 23, s. 152.

2.0.0.3. *(Repealed).*

2007, c. 31, s. 2; 2012, c. 23, s. 152.

2.0.1. *(Repealed).*

2005, c. 32, s. 288; 2012, c. 23, s. 152.

2.0.2. *(Repealed).*

2005, c. 32, s. 288; 2012, c. 23, s. 152.

2.0.3. *(Repealed).*

2005, c. 32, s. 288; 2005, c. 40, s. 38; 2010, c. 15, s. 77; 2012, c. 23, s. 152.

2.0.4. *(Repealed).*

2005, c. 32, s. 288; 2012, c. 23, s. 152.

2.0.5. *(Repealed).*

2005, c. 32, s. 288; 2012, c. 23, s. 152.

2.0.6. *(Repealed).*

2005, c. 32, s. 288; 2012, c. 23, s. 152.

2.0.7. *(Repealed).*

2005, c. 32, s. 288; 2012, c. 23, s. 152.

2.0.8. For the purposes of the seventh paragraph of section 2, a person may, at any time after applying to be registered with the Board under section 9 of the Health Insurance Act (chapter A-29), authorize in writing, on a consent form provided by the Board for that purpose, the post-mortem removal of the person's organs or tissues for transplant, as permitted under article 43 of the Civil Code.

Consent may be revoked at any time, in writing, using the form provided by the Board for that purpose.

2010, c. 38, s. 2; 2015, c. 25, s. 1.

2.0.9. The consent form authorizing the removal of organs or tissues, or the accompanying notice, must inform the person concerned

(1) that consent will be acted upon for the purposes of a transplant;

(2) that the information appearing on the consent form may be sent, on request, to an organization that coordinates organ or tissue donations and is designated on the list drawn up by the Minister and published on the Board's website;

(3) that consent may be revoked at any time, in writing, using the form provided by the Board for that purpose; and

(4) that the Board will not solicit the person's consent again if the person has already given it.

2010, c. 38, s. 2.

2.0.10. The Board shall use the consent form to obtain the following information:

(1) the person's freely given consent to the post-mortem removal of organs or tissues;

(2) the signature of the person concerned and, if the person is under 14 years of age, the signature of the holder of parental authority or tutor authorizing the person to give consent;

(3) the date of each signature; and

(4) any other identification information the Board requires in the exercise of its functions relating to the consent registry for the post-mortem removal of organs and tissues.

The Board shall enter the information collected using the consent form in the registry established under the seventh paragraph of section 2.

For the purposes of this section, the Board may use the identification information obtained for the carrying out of the Health Insurance Act (chapter A-29), despite the second paragraph of section 67 of that Act

2010, c. 38, s. 2; 2015, c. 25, s. 1.

2.0.11. The Minister shall draw up a list of organizations that coordinate organ or tissue donations to which the Board may send information collected using the consent form. The list is published on the Board's website.

2010, c. 38, s. 2.

2.0.12. The Board must, on request, send the information collected using a consent form to an organization designated by the Minister under section 2.0.11.

2010, c. 38, s. 2.

2.0.13. The Board may require, from every person filing an application under this Act, the Health Insurance Act (chapter A-29), the Act respecting prescription drug insurance (chapter A-29.01), the regulations or any other program entrusted to it by law or by the Government under the first paragraph of section 2,

- (1) that the person use the appropriate form provided by the Board; and
- (2) that the person provide the information and documents necessary to the processing of the application.

Likewise, the Board may require that declarations, notices, authorizations, mandates given to a third person, reports or other documents be submitted to the Board on the appropriate form or according to the appropriate model it provides.

In addition, the Board may require that registers kept for the purposes of an Act, regulation or program referred to in the first paragraph be kept according to the model the Board provides.

The Board's forms and models are published on the Board's website.

2016, c. 28, s. 65; 2017, c. 26, s. 9.

2.1. The Board shall recover, from the department or body concerned, the cost of services and goods it assumes under a program entrusted to it by law or by the Government, to the extent provided for under that program.

The Board shall also recover from the Commission des normes, de l'équité, de la santé et de la sécurité du travail, in accordance with the Workers' Compensation Act (chapter A-3) and the Act respecting industrial accidents and occupational diseases (chapter A-3.001), the cost of the services it has assumed under the fourteenth paragraph of section 3 of the Health Insurance Act (chapter A-29) as well as the administration costs relating thereto.

1991, c. 42, s. 587; 1992, c. 44, s. 81; 1994, c. 8, s. 21; 1994, c. 12, s. 67; 1995, c. 69, s. 23; 1999, c. 89, s. 46, s. 52; 2015, c. 15, s. 237.

3. The Board is a legal person.

1969, c. 53, s. 3; 1999, c. 40, s. 244.

4. The Board shall have the rights and privileges of a mandatory of the State.

The property possessed by the Board shall form part of the domain of the State, but the performance of the obligations of the Board may be levied on such property.

1969, c. 53, s. 4; 1977, c. 5, s. 14; 1999, c. 40, s. 244.

5. The Board binds none but itself when it acts in its own name.

1969, c. 53, s. 5.

6. The head office of the Board shall be in the territory of Ville de Québec, but it may transfer it to another locality with the approval of the Government; such change shall come into force upon publication of a notice thereof in the *Gazette officielle du Québec*.

The Board may hold its sittings at any place in Québec.

1969, c. 53, s. 6; 1996, c. 2, s. 844; 1999, c. 40, s. 244.

7. The Board is administered by a board of directors composed of 15 members appointed by the Government, including the chair of the board and the president and chief executive officer.

The board members, other than the chair of the board and the president and chief executive officer, include the following:

(1) three appointed from among professionals in the field of health within the meaning of the Health Insurance Act (chapter A-29), including one general practitioner and one medical specialist, after consultation with the professional order of each class of health professionals that has entered into an agreement under that Act;

(2) one appointed from among the president and executive directors of an institution referred to in the Act respecting health services and social services (chapter S-4.2); and

(3) nine who are independent members, including three users of the health sector and persons from the various fields of activity meeting the expertise and experience profiles approved by the board.

1969, c. 53, s. 7; 1970, c. 37, s. 82; 1977, c. 5, s. 14; 1979, c. 1, s. 57; 1991, c. 42, s. 588; 1992, c. 21, s. 375; 1998, c. 39, s. 187; 1999, c. 89, s. 47; 2005, c. 32, s. 308; 2007, c. 21, s. 1; 2022, c. 19, s. 251.

7.0.1. The term of a member of the board of directors ends when the member loses the qualifications required for appointment.

2007, c. 21, s. 1; 2022, c. 19, s. 252.

7.0.2. *(Repealed).*

2007, c. 21, s. 1; 2022, c. 19, s. 253.

7.0.3. *(Repealed).*

2007, c. 21, s. 1; 2022, c. 19, s. 253.

7.0.4. *(Repealed).*

2007, c. 21, s. 1; 2022, c. 19, s. 253.

7.0.5. The president and chief executive officer is assisted by one or more vice-presidents appointed by the Government.

The vice-presidents are appointed for a term of up to five years.

On the expiry of their term, the vice-presidents remain in office until they are replaced or reappointed.

2007, c. 21, s. 1.

7.0.6. The office of president and chief executive officer and the office of vice-president are full-time positions.

2007, c. 21, s. 1.

7.0.7. A vacancy on the board of directors is filled in accordance with the rules of appointment to the board.

2007, c. 21, s. 1.

7.0.8. *(Repealed).*

2007, c. 21, s. 1; 2022, c. 19, s. 253.

7.1. The Government shall fix the remuneration, social benefits and other terms of employment of the vice-presidents of the Board.

1991, c. 42, s. 589; 2007, c. 21, s. 2; 2022, c. 19, s. 254.

7.2. *(Repealed).*

1991, c. 42, s. 589; 2007, c. 21, s. 3; 2022, c. 19, s. 255.

8. *(Repealed).*

1969, c. 53, s. 8; 2007, c. 21, s. 4.

9. If the president and chief executive officer is absent or unable to act, the board of directors may designate a member of the Board's personnel to exercise the functions of that position.

1969, c. 53, s. 9; 1999, c. 40, s. 244; 2007, c. 21, s. 5.

10. *(Repealed).*

1969, c. 53, s. 10; 1990, c. 56, s. 6; 2007, c. 21, s. 6.

11. The secretary and the other officers and employees of the Board shall be appointed in accordance with the Public Service Act (chapter F-3.1.1).

1969, c. 53, s. 11; 1978, c. 15, s. 140; 1983, c. 55, s. 161; 2000, c. 8, s. 242.

12. A member of the board of directors is not in conflict of interest for the sole reason that the member receives fees for care given in the exercise of professional duties.

1969, c. 53, s. 12; 2007, c. 21, s. 7.

13. The president and chief executive officer shall devote his time exclusively to the work of the Board and the duties of his office.

1969, c. 53, s. 13; 2007, c. 21, s. 8.

14. The Board may adopt internal by-laws. Such by-laws come into force on the date of their publication on the Board's website or any subsequent date specified in the by-laws.

1969, c. 53, s. 14; 1990, c. 56, s. 7; 2007, c. 21, s. 9.

14.1. The Board may delegate to the president and director general, to a member of the personnel or to the holder of a designated position, the exercise of the powers assigned to the Board by this Act, by the Health Insurance Act and by the Act respecting prescription drug insurance.

The Board may also authorize the subdelegation of listed functions. Where applicable, the Board shall identify the member of the personnel or the holder of a position to whom a function may be subdelegated.

1999, c. 89, s. 48.

15. The Board shall determine by internal by-law the rules relating to the quorum at meetings of the board of directors.

1969, c. 53, s. 15; 1970, c. 37, s. 83; 1991, c. 42, s. 590; 2007, c. 21, s. 11.

16. The minutes of the sittings of the board of directors, approved by it and certified by the secretary or by any other functionary of the Board designated by the by-laws passed for such purpose by the Board, shall be authentic; the same shall apply to documents and copies emanating from the Board or forming part of its records, when so certified.

1969, c. 53, s. 16; 1973, c. 30, s. 16; 1992, c. 57, s. 683; 2007, c. 21, s. 12.

16.0.1. No deed, document or writing binds the Board or may be attributed to it unless it is signed by the chair of the board of directors or the president and chief executive officer. It may also be signed by a member of the personnel or an office holder at the Board, but only to the extent determined by regulation of the Board.

The regulation may also, on the conditions it sets, allow the use of an automatic device to affix the signature on the documents mentioned in the regulation. The regulation may also allow a facsimile of a signature to be engraved, lithographed or printed on the documents mentioned in the regulation. Such a facsimile has the same force as the signature itself.

Such a regulation comes into force on the date of its publication on the Board's website or on any later date specified in the regulation. Publication on the website imparts authentic value to the regulation.

2007, c. 21, s. 13; 2016, c. 28, s. 66.

16.1. *(Repealed).*

1994, c. 8, s. 22; 2007, c. 21, s. 14.

16.2. An intelligible transcription in writing of the data stored by the Board on a computer-based storage medium forms part of its documents and is proof of its contents when certified by the secretary or by any other officer of the Board authorized in accordance with section 16.

1994, c. 8, s. 22; 2007, c. 21, s. 15.

17. Neither the members of the board of directors nor the functionaries and employees of the Board may be sued by reason of official acts done in good faith in the exercise of their functions.

1969, c. 53, s. 17; 2007, c. 21, s. 16.

18. None of the applications for judicial review under the Code of Civil Procedure (chapter C-25.01) shall be exercised and no injunction shall be granted against the Board or the members of the board of directors acting in their official capacity.

1969, c. 53, s. 18; 1970, c. 37, s. 84; 2007, c. 21, s. 17; I.N. 2016-01-01 (NCCP).

19. A judge of the Court of Appeal, on an application, may annul summarily any decision, order or injunction made or granted contrary to section 17 or 18.

1970, c. 37, s. 84; 1979, c. 37, s. 43; I.N. 2016-01-01 (NCCP).

19.1. The Board may authorize any person to act as an inspector for the purpose of verifying compliance with this Act, the Health Insurance Act (chapter A-29), the Act respecting prescription drug insurance (chapter A-29.01) and the regulations.

To that end, the person acting as an inspector may

(1) enter, at any reasonable time, any place where a health professional, a dispenser or a drug manufacturer or wholesaler accredited by the Minister or an intermediary within the meaning of section 80.1 of the Act respecting prescription drug insurance exercises functions or carries on activities; and

(2) require the persons present to provide any information relating to the functions exercised or activities carried on by the persons referred to in subparagraph 1 and to produce any related document for examination or for the purpose of making copies.

Any person who has custody, possession or control of the documents referred to in this section must, on request, make them available to the person conducting the inspection and facilitate their examination.

An inspector authorized to act by the Board cannot be prosecuted for acts performed in good faith in the exercise of the functions of office.

2016, c. 28, s. 67.

19.2. An inspector may, by a request sent by registered mail or personal service, require from any person, within a reasonable time specified by the inspector, that the person send by registered mail or personal service any information or document relating to the application of this Act, the Health Insurance Act (chapter A-29), the Act respecting prescription drug insurance (chapter A-29.01) and the regulations.

2016, c. 28, s. 67.

20. In the exercise of its powers, the Board may, by itself or any person appointed by it, inquire into any matter within its competence. It may also, in the same manner, inquire into any matter concerning the conditions governing the recognition of a manufacturer of medications or a wholesaler distributing medications, their commitments and the conditions governing their practices as regards the price of medications, prescribed by regulation of the Minister under section 80 of the Act respecting prescription drug insurance (chapter A-29.01). It may furthermore, in the same manner, inquire into any other matter concerning the basic prescription drug insurance plan.

For such purposes, the Board and every such person shall have the powers and immunities of commissioners appointed under the Act respecting public inquiry commissions (chapter C-37), except the power to order imprisonment.

1970, c. 37, s. 84; 1971, c. 47, s. 18; 1992, c. 61, s. 511; 1994, c. 8, s. 23; 1996, c. 32, s. 105; 2005, c. 40, s. 39.

20.1. Within the scope of an inspection or investigation, no person may refuse to communicate to the Board any information or document contained in the record of an insured person within the meaning of the Health Insurance Act (chapter A-29) or any financial information or document concerning the activities carried on by a health professional, a dispenser, a drug manufacturer or wholesaler accredited by the Minister, or an intermediary.

2016, c. 28, s. 68; 2017, c. 26, s. 10.

21. It is forbidden to hinder an inspector or investigator of the Board in the performance of his duties, to mislead or attempt to mislead him by concealment or false or untrue declarations, or to refuse to communicate any information or document he may require or to obey any order he may give under this Act or the regulations.

Such inspector or investigator must, if so required, exhibit a certificate, signed by the president and chief executive officer of the Board or a person authorized for the purpose by him, attesting his authority.

Anyone who contravenes the first paragraph is guilty of an offence and is liable to a fine of \$5,000 to \$50,000. In the case of a subsequent offence, the minimum and maximum fines are doubled.

1970, c. 37, s. 84; 2007, c. 21, s. 18; 2016, c. 28, s. 69.

21.1. The Board may apply to a judge of the Superior Court to obtain an injunction in respect of any matter covered by this Act, the Health Insurance Act (chapter A-29), the Act respecting prescription drug insurance (chapter A-29.01) or the regulations.

The application for an injunction is a proceeding in itself.

The procedure prescribed in the Code of Civil Procedure (chapter C-25.01) applies, except that the Board cannot be required to give security.

2016, c. 28, s. 70.

22. When the Board assumes the cost of the remuneration payable by it with respect to a professional, every government department or agency must furnish the Board, at the request of its president and chief executive officer, with such information as it needs to appraise the remuneration for the services furnished by such a professional, and the incumbent minister or deputy minister of the department or chief executive officer of the agency concerned shall also be entitled to obtain such information from the professional concerned when it is so requested of him.

1970, c. 37, s. 84; 1978, c. 15, s. 140; 1990, c. 56, s. 8; 2007, c. 21, s. 19.

22.1. The Board may obtain from the Commission des normes, de l'équité, de la santé et de la sécurité du travail, and the Commission shall furnish to the Board, any information contained in a medical or physical rehabilitation record the Commission has on a worker who has suffered an industrial accident or occupational disease and that the Board needs to assess the remuneration of a professional in the field of health for a service rendered pursuant to the Workers' Compensation Act (chapter A-3) or to the Act respecting industrial accidents and occupational diseases (chapter A-3.001).

1985, c. 6, s. 512; 1990, c. 57, s. 43; 2015, c. 15, s. 237.

22.2. The Board may, for the purpose of keeping the insured persons' files established under this Act and the Health Insurance Act (chapter A-29) up to date on a continuing basis, obtain from the Ministère de l'Emploi et de la Solidarité sociale, from Retraite Québec or from the Société de l'assurance automobile du Québec the addresses of beneficiaries of programs administered by them.

1991, c. 42, s. 591; 1992, c. 44, s. 81; 1994, c. 12, s. 67; 1997, c. 63, s. 128; 1999, c. 89, s. 52; 2001, c. 44, s. 30; 2015, c. 20, s. 61.

23. The Board may, in accordance with the applicable legislative provisions, enter into an agreement with a government other than the Gouvernement du Québec or a department or body of such a government, or with an international organization or a body of such an organization.

1970, c. 37, s. 84; 1970, c. 42, s. 17; 1971, c. 47, s. 19; 1985, c. 23, s. 24; 1999, c. 40, s. 244; 1999, c. 89, s. 49; 2016, c. 28, s. 71.

23.1. The Government may also authorize the Board to make, as provided by law, agreements with any government or body and with any person, association or partnership to enable the Board to provide consulting services related to the development or implementation of a health insurance plan or the management of health and social services data.

The Board may, within the framework of those agreements, sell the expertise and products it develops or helps to develop in the performance of its functions.

The Board may collect and include in its revenues any sum generated by such activities, and incur expenditures for such purposes.

1999, c. 89, s. 50.

24. The fiscal year of the Board shall end on 31 March in each year.

1969, c. 53, s. 19.

24.1. The Board must, not later than 15 October each year, produce a report showing the sums it has paid out to physicians in the course of the preceding fiscal year under the Health Insurance Act (chapter A-29). The report must indicate, on the one hand, the proportion of budget variance between expenditures and estimates and on the other, the reasons for such variance.

1991, c. 42, s. 592.

24.2. *(Repealed).*

1991, c. 42, s. 592; 1999, c. 89, s. 51; 2020, c. 5, s. 136.

24.3. Every department, body, agency or institution must furnish the Board, at the request of its president and chief executive officer, with any information needed for the purposes of section 24.1 of this Act and section 45.3 of the Financial Administration Act (chapter A-6.001), in relation to the adoption of its annual budget and budgetary estimates.

1991, c. 42, s. 592; 1992, c. 21, s. 375; 2005, c. 32, s. 308; 2007, c. 21, s. 20; 2020, c. 5, s. 137.

24.4. For the purposes of section 19 of the Health Insurance Act (chapter A-29) and of section 431 of the Act respecting health services and social services (chapter S-4.2), the Board must transmit to the Minister of Health and Social Services the report produced by it pursuant to section 24.1.

1991, c. 42, s. 592; 2020, c. 5, s. 138.

25. Not later than 31 July each year, the Board shall submit to the Minister of Health and Social Services an annual management report for its previous fiscal year; such report shall also contain all the information which the Minister of Health and Social Services may prescribe.

In a separate section of the report, the Board shall state, in particular, the number of inspections and investigations conducted and, as regards the latter, their class and the number of them having lasted more than one year, as well as the sums recovered following those inspections and investigations.

Such report shall be laid before the National Assembly if it is in session or, if it is not, within thirty days of the opening of the next session.

The Board shall give the Minister of Health and Social Services any information he may require respecting its operations.

1969, c. 53, s. 20; 1970, c. 42, s. 17; 1981, c. 22, s. 39; 1985, c. 23, s. 24; 2016, c. 28, s. 72; 2022, c. 19, s. 256.

26. The books and accounts of the Board shall be audited by the Auditor General each year and also whenever so ordered by the Government; his reports shall accompany the annual report of the Board.

1969, c. 53, s. 21; 1970, c. 17, s. 102.

CHAPTER II

LOANS

1978, c. 70, s. 2.

27. With the previous authorization of the Government, the Board may contract loans by notes, bonds or other securities, at such rate of interest and on such other conditions as are determined by the Government.

1969, c. 53, s. 22.

28. The Government, on such conditions as it determines, may guarantee the payment in principal and interest of any loan of the Board and the performance of any of its obligations.

The sums which the Government may be called upon to pay under such guarantees are taken out of the Consolidated Revenue Fund.

1969, c. 53, s. 23; 1970, c. 37, s. 85; 1977, c. 5, s. 14; 1978, c. 70, s. 3.

29. *(Repealed).*

1973, c. 30, s. 17; 1974, c. 40, s. 21; 1977, c. 5, s. 14; 1978, c. 70, s. 4.

30. The sums put at the disposal of the Board and the sums obtained by it under section 27 must be used exclusively for the payment of its obligations and the administration of this Act and the Health Insurance Act (chapter A-29).

1969, c. 53, s. 24; 1970, c. 37, s. 86 (*part*); 1978, c. 70, s. 5.

31. *(Repealed).*

1970, c. 37, s. 86; 1977, c. 5, s. 14; 1978, c. 70, s. 6.

CHAPTER III

DIRECTIVES

1978, c. 70, s. 8.

32. The Minister of Health and Social Services may, within the scope of the responsibilities and powers entrusted to him in respect of the use of public moneys, public health, the rights of insured persons to insured

services and observance of agreements to which the Minister is a party, issue directives bearing on the goals and orientations of the Board in the performance of the functions entrusted to it by law.

Such directives must be submitted to the Government for approval. If they are so approved, they shall bind the Board which must comply with them.

Every directive issued under this section must be tabled before the National Assembly within five days of its approval by the Government, if the Assembly is in session, or within five days of the opening of the next session, if it is not.

1969, c. 53, s. 26; 1974, c. 40, s. 22; 1978, c. 70, s. 9; 1985, c. 23, s. 24; 1999, c. 89, s. 52.

CHAPTER IV

FINANCING

1978, c. 70, s. 10.

DIVISION I

CONTRIBUTIONS

1978, c. 70, s. 10; 1993, c. 64, s. 215.

§ 1. — *Interpretation*

1993, c. 64, s. 216.

33. In this division, unless the context indicates a different meaning,

“base period” has the meaning assigned by section 737.18.6 of the Taxation Act (chapter I-3);

“base year” of a specified employer means the first year of the specified employer that ends after 31 December 2012 and throughout which the specified employer carried on a business;

“business” means a business within the meaning of section 1 of the Taxation Act;

“certificate” for a taxation year or fiscal period of an employer, in relation to a large investment project, within the meaning of paragraph *a* of the definition of that expression, means the certificate that, for the purposes of this section and sections 34 and 34.1.0.3 to 34.1.0.4, is issued by the Minister of Finance, in relation to the large investment project, for the taxation year or fiscal period, as the case may be;

“computation method election” applicable to an employer’s taxation year or fiscal period, in relation to a large investment project, within the meaning of paragraph *a* of the definition of that expression, means the election that the employer makes in relation to the large investment project and to which subparagraph ii of subparagraph *d.1* of the sixth paragraph of section 34 refers for that year or fiscal period, as the case may be;

“cumulative total eligible expenses” of an employer at the end of a particular taxation year or fiscal period, in respect of a large investment project, within the meaning of paragraph *b* of the definition of that expression, means the cumulative total eligible expenses of the employer within the meaning of section 737.18.17.14 of the Taxation Act, in relation to the large investment project;

“date of the beginning of the tax-free period” in respect of a large investment project of an employer means

(*a*) in the case of a large investment project within the meaning of paragraph *a* of the definition of that expression, the date that is specified as such in the first certificate, in relation to the large investment project, or in the qualification certificate issued to the employer, in relation to the project, where the employer acquired all or substantially all of the recognized business in relation to the project and where the Minister of Finance authorized the transfer of the carrying out of the project to the employer, according to the qualification certificate; or

(b) in the case of a large investment project within the meaning of paragraph *b* of the definition of that expression, the date of the beginning of the tax-free period within the meaning of section 737.18.17.14 of the Taxation Act, in relation to the large investment project;

“date of the end of the start-up period” of a large investment project of an employer, within the meaning of paragraph *a* of the definition of that expression, means the date that is specified as such in the first certificate, in relation to the large investment project, or in the qualification certificate issued to the employer, in relation to the project, where the employer acquired all or substantially all of the recognized business in relation to the project and where the Minister of Finance authorized the transfer of the carrying out of the project to the employer, according to the qualification certificate;

“designated employee” means an individual employed by a designated employer in a specified period, other than, if the specified period begins before 5 July 2020, an employee who receives no remuneration from the employer for at least 14 consecutive days included in that period;

“designated employer” for a year means an employer who has an establishment in Québec in the year and is a qualifying entity for a specified period included in the year;

“digital platform” means a digital platform within the meaning of the first paragraph of section 737.18.17.1 of the Taxation Act;

“eligibility period” of an exempt employer means the period of five years that begins on the later of the day of coming into force of the certificate referred to in paragraph *a* of section 771.12 of the Taxation Act that was issued in respect of the exempt employer and, as the case may be,

(a) where the exempt employer is a corporation referred to in subparagraph i of paragraph *a* of section 771.12 of the Taxation Act, 26 March 1997;

(b) where the exempt employer is a corporation referred to in subparagraph ii of paragraph *a* of section 771.12 of the Taxation Act, 10 March 1999; or

(c) where the exempt employer is a corporation referred to in subparagraph iii of paragraph *a* of section 771.12 of the Taxation Act, 30 March 2001;

“eligible activities” means eligible activities within the meaning of the first paragraph of section 737.18.17.1 of the Taxation Act;

“eligible employee” means an employee of a specified employer who holds in Québec—under a contract entered into after 4 June 2014, if the specified employer’s base year is the year 2013, or after the end of the specified employer’s base year, in any other case—a recognized employment requiring at least 26 hours of work per week, for an indeterminate period or an expected minimum period of 40 weeks and holds the diploma normally required to have access to the recognized employment;

“eligible employer”, at a particular time, means an employer who, for the employer’s taxation year that includes the particular time,

(a) is not a person described in any of paragraphs *a* to *d* of the definition of “qualified corporation” in the first paragraph of section 1029.8.36.4 of the Taxation Act; and

(b) is a qualified corporation, within the meaning of sections 771.5 to 771.7 of the Taxation Act or, where the employer’s taxation year that includes the particular time is the employer’s first taxation year, or the taxation year from which the employer ceased, by reason of the first paragraph of section 771.6 of that Act, to be such a qualified corporation, and the particular time is before the time at which one of the situations described in subparagraphs *a* to *f* of the first paragraph of that section 771.6 first occurred, would be such a qualified corporation but for that paragraph;

“eligible preceding year” of an individual, in relation to a particular year, means a year throughout which the individual was resident in Canada and that precedes the particular year;

“eligible specified employer” for a year means a specified employer for the year whose total payroll for the year is both less than the employer’s total payroll threshold for the year and attributable, in a proportion of more than 50%,

(a) to activities in the agriculture, forestry, fishing and hunting sector that are included in the group described under code 11 of the North American Industry Classification System (NAICS) Canada, as amended from time to time and published by Statistics Canada;

(b) to activities in the mining, quarrying, and oil and gas extraction sector that are included in the group described under code 21 of the North American Industry Classification System (NAICS) Canada, as amended from time to time and published by Statistics Canada; or

(c) to activities in the manufacturing sector that are included in the groups described under codes 31 to 33 of the North American Industry Classification System (NAICS) Canada, as amended from time to time and published by Statistics Canada;

“employee” means an employee within the meaning of section 1 of the Taxation Act;

“employer” means a person, including a government, who pays wages or, where, in a period, an employee is, within the meaning of an agreement on social security that provides for the reciprocal coverage of health insurance plans, entered into between the Gouvernement du Québec and the government of a foreign country, a worker on secondment to that country, for that period, the person who has so seconded the employee;

“employer exemption”, at a particular time, means the amount by which \$700,000, where the employer’s taxation year that includes the particular time is not less than 51 weeks, or, in any other case, the proportion of \$700,000 that the number of days in that taxation year is of 365, exceeds the aggregate of the wages that are paid or deemed to be paid by the employer in that taxation year and before the particular time each of which is wages that, in a proportion of 75%, are not the object, because of the fifth paragraph of section 34, of a contribution payable under that section;

“establishment” means an establishment, including an establishment within the meaning of Chapter III of Title II of Book I of Part I of the Taxation Act;

“excluded employer” means an employer that is a corporation exempt from tax under Book VIII of Part I of the Taxation Act;

“exempt employer”, at a particular time, means an employer who, subject to the second and third paragraphs and for a taxation year of the employer including the particular time, is either an exempt corporation within the meaning of sections 771.12 and 771.13 of the Taxation Act or, if that taxation year is the first taxation year of the employer or the taxation year during which the employer ceases to be such an exempt corporation because of any of subparagraphs *a* to *e* of the first paragraph of section 771.13 of that Act or because of the employer’s failure to comply with the condition set out in paragraph *a* of section 771.12 of that Act, and the particular time is prior to the time when the earlier of one of the situations set out in subparagraphs *a* to *e* of that first paragraph or the failure to comply with the condition set out in paragraph *a* of section 771.12 occurs, would be such an exempt corporation were it not for those subparagraphs or that paragraph *a*;

“exemption period” of an eligible employer means the five-year period that begins at the beginning of the eligible employer’s first taxation year;

“individual” means an individual within the meaning of Part I of the Taxation Act, other than a trust within the meaning of section 1 of that Act;

“investment period” means an investment period within the meaning of section 737.18.17.14 of the Taxation Act;

“large investment project” of an employer means

(a) for the purpose of applying subparagraph *d.1* of the sixth paragraph of section 34 and sections 34.1.0.3 to 34.1.0.4, an investment project in respect of which a qualification certificate has been issued to the employer by the Minister of Finance for that purpose; or

(b) for the purpose of applying subparagraph *d.2* of the sixth paragraph of section 34 and sections 34.1.0.5 and 34.1.0.6, an investment project in respect of which a qualification certificate has been issued to the employer by the Minister of Finance for that purpose;

“last day of the tax-free period” in respect of a large investment project means

(a) in the case of a large investment project within the meaning of paragraph *a* of the definition of that expression, the last day of the 15-year period that begins on the date of the beginning of the tax-free period in respect of the project; or

(b) in the case of a large investment project within the meaning of paragraph *b* of the definition of that expression, the last day of the tax-free period, within the meaning of section 737.18.17.14 of the Taxation Act, in relation to the large investment project;

“maximum annual contribution exemption amount” of an employer for a taxation year or fiscal period, in relation to a large investment project, means

(a) in the case of a large investment project within the meaning of paragraph *a* of the definition of that expression, the amount determined, for the year or fiscal period, as the case may be, in respect of the large investment project, by the formula in the second paragraph of section 34.1.0.3.1; or

(b) in the case of a large investment project within the meaning of paragraph *b* of the definition of that expression, the amount determined, for the year or fiscal period, as the case may be, in respect of the large investment project, by the formula in the second paragraph of section 34.1.0.5;

“maximum annual tax exemption amount” of an employer for a taxation year, in relation to a large investment project, means

(a) in the case of a large investment project within the meaning of paragraph *a* of the definition of that expression, the amount determined for the year, in respect of the large investment project, by the formula in subparagraph i of subparagraph *b* of the second paragraph of section 737.18.17.5.1, where the project is an employer’s project, or in subparagraph ii of that subparagraph *b*, where the project is that of a partnership of which the employer is a member at the end of the partnership’s fiscal period that ends in that year; or

(b) in the case of a large investment project within the meaning of paragraph *b* of the definition of that expression, the amount determined for the year, in respect of the large investment project, by the formula in subparagraph i of subparagraph *b* of the first paragraph of section 737.18.17.18, where the project is the employer’s project, or in subparagraph ii of that subparagraph *b*, where the project is that of a partnership of which the employer is a member at the end of the partnership’s fiscal period that ends in that year;

“municipality” means a municipality within the meaning of section 1 of the Taxation Act;

“province” means a province within the meaning of section 1 of the Taxation Act;

“qualified corporation” for a taxation year means a qualified corporation for the year, within the meaning of section 737.18.17.14 of the Taxation Act, that holds a certificate which, for the purposes of this section and sections 34, 34.1.0.5 and 34.1.0.6, is issued by the Minister of Finance for the year in relation to a large investment project, within the meaning of paragraph *b* of the definition of that expression;

“qualified partnership” for a fiscal period means a qualified partnership for the fiscal period, within the meaning of section 737.18.17.14 of the Taxation Act, that holds a certificate which, for the purposes of this section and sections 34, 34.1.0.5 and 34.1.0.6, is issued by the Minister of Finance for the fiscal period in relation to a large investment project, within the meaning of paragraph *b* of the definition of that expression;

“qualified wages” in relation to an eligible employee of a specified employer means the portion of the wages paid by the specified employer, in relation to the eligible employee, that is referred to in the first paragraph of section 34, other than the value of a benefit received or enjoyed by the employee because of a previous office or employment;

“qualifying entity” for a specified period means an entity that, for the specified period, is a qualifying entity for the purposes of section 125.7 of the Income Tax Act (R.S.C. 1985, c. 1 (5th Suppl.)) and, if the specified period begins after 4 July 2020, in respect of which the necessary conditions for an overpayment to be deemed to arise are met, in the specified period, under subsection 2 of that section 125.7 for the taxation year in which the specified period ends;

“recognized business” of an employer, in relation to a large investment project, within the meaning of paragraph *a* of the definition of that expression, means a business carried on in Québec by the employer, in connection with which the large investment project was carried out or is in the process of being carried out and in respect of which, unless the employer made a computation method election in relation to the project,

the employer keeps separate accounts in relation to the eligible activities that are carried on in the course of carrying on the business and that arise from the project;

“recognized employment” means an employment identified by any of the following codes and labels of the National Occupational Classification, as amended from time to time and established jointly by Human Resources and Skills Development Canada and Statistics Canada:

- (a) code 2111 Physicists and astronomers;
- (b) code 2112 Chemists;
- (c) code 2113 Geoscientists and oceanographers;
- (d) code 2114 Meteorologists and climatologists;
- (e) code 2115 Other professional occupations in physical sciences;
- (f) code 2121 Biologists and related scientists;
- (g) code 2122 Forestry professionals;
- (h) code 2123 Agricultural representatives, consultants and specialists;
- (i) code 2131 Civil engineers;
- (j) code 2132 Mechanical engineers;
- (k) code 2133 Electrical and electronics engineers;
- (l) code 2134 Chemical engineers;
- (m) code 2141 Industrial and manufacturing engineers;
- (n) code 2142 Metallurgical and materials engineers;
- (o) code 2143 Mining engineers;
- (p) code 2144 Geological engineers;
- (q) code 2145 Petroleum engineers;
- (r) code 2146 Aerospace engineers;
- (s) code 2147 Computer engineers (except software engineers and designers);
- (t) code 2148 Other professional engineers, n.e.c.;
- (u) code 2151 Architects;
- (v) code 2153 Urban and land use planners;
- (w) code 2161 Mathematicians, statisticians and actuaries;
- (x) code 2171 Information systems analysts and consultants;
- (y) code 2172 Database analysts and data administrators;
- (z) code 2173 Software engineers and designers;
- (z.1) code 2174 Computer programmers and interactive media developers;
- (z.2) code 2175 Web designers and developers;
- (z.3) code 2211 Chemical technologists and technicians;
- (z.4) code 2212 Geological and mineral technologists and technicians;
- (z.5) code 2221 Biological technologists and technicians;
- (z.6) code 2223 Forestry technologists and technicians;
- (z.7) code 2231 Civil engineering technologists and technicians;

- (z.8) code 2232 Mechanical engineering technologists and technicians;
- (z.9) code 2233 Industrial engineering and manufacturing technologists and technicians;
- (z.10) code 2241 Electrical and electronics engineering technologists and technicians;
- (z.11) code 2243 Industrial instrument technicians and mechanics;
- (z.12) code 2244 Aircraft instrument, electrical and avionics mechanics, technicians and inspectors;
- (z.13) code 2251 Architectural technologists and technicians;
- (z.14) code 2252 Industrial designers;
- (z.15) code 2253 Drafting technologists and technicians;
- (z.16) code 2255 Technical occupations in geomatics and meteorology;
- (z.17) code 2281 Computer network technicians; and
- (z.18) code 2283 Information systems testing technicians;

“regulation” means any regulation made by the Government under this division;

“specified employer” for a year means an employer that has an establishment in Québec in the year and that is not the Government of Canada or of a province, a Canadian municipality or an employer that, at a particular time in the year, is

(a) a mandatory body of the State, Her Majesty in right of Canada or a province, other than Québec, or a Canadian municipality; or

(b) a municipal or public body performing a function of government in Canada, a mandatory body of such a municipal or public body, or a corporation, commission or association exempt from tax under Part I of the Taxation Act under section 985;

“specified expenditure” of a designated employer, in relation to an employee, means the aggregate of all amounts each of which is the amount paid by the employer under the first paragraph of section 34 that is attributable to the employee’s specified wages for a week included in a specified period;

“specified period” means

- (a) the period that begins on 15 March 2020 and ends on 11 April 2020;
- (b) the period that begins on 12 April 2020 and ends on 9 May 2020;
- (c) the period that begins on 10 May 2020 and ends on 6 June 2020;
- (d) the period that begins on 7 June 2020 and ends on 4 July 2020;
- (e) the period that begins on 5 July 2020 and ends on 1 August 2020;
- (f) the period that begins on 2 August 2020 and ends on 29 August 2020;
- (g) the period that begins on 30 August 2020 and ends on 26 September 2020;
- (h) the period that begins on 27 September 2020 and ends on 24 October 2020;
- (i) the period that begins on 25 October 2020 and ends on 21 November 2020;
- (j) the period that begins on 22 November 2020 and ends on 19 December 2020;
- (k) the period that begins on 20 December 2020 and ends on 16 January 2021;
- (l) the period that begins on 17 January 2021 and ends on 13 February 2021;
- (m) the period that begins on 14 February 2021 and ends on 13 March 2021;
- (n) the period that begins on 14 March 2021 and ends on 10 April 2021;
- (o) the period that begins on 11 April 2021 and ends on 8 May 2021;
- (p) the period that begins on 9 May 2021 and ends on 5 June 2021;

- (p.1) the period that begins on 6 June 2021 and ends on 3 July 2021;
- (p.2) the period that begins on 4 July 2021 and ends on 31 July 2021;
- (p.3) the period that begins on 1 August 2021 and ends on 28 August 2021; or
- (q) a prescribed period;

“specified wages” of an employee means the wages paid, allocated, granted or awarded to the employee by the employee’s designated employer for a week in which the employee is on leave with pay and that is included in a specified period during which the employee is a designated employee and the designated employer is a qualifying entity;

“taxation year” means a taxation year within the meaning of Part I of the Taxation Act;

“tax-free period” in respect of a large investment project means

(a) in the case of a large investment project within the meaning of paragraph *a* of the definition of that expression, a tax-free period within the meaning of Chapter I of Title VII.2.3.1 of Book IV of Part I of the Taxation Act; or

(b) in the case of a large investment project within the meaning of paragraph *b* of the definition of that expression, a tax-free period within the meaning of section 737.18.17.14 of the Taxation Act, in relation to the large investment project;

“total eligible expenses” at a particular time, in relation to a large investment project, within the meaning of paragraph *b* of the definition of that expression, means total eligible expenses, within the meaning of section 737.18.17.14 of the Taxation Act, in relation to the large investment project;

“total payroll” of an employer for a year means the aggregate of the wages paid or deemed to be paid in the year by the employer and, where the employer carries on a business at the end of the year in which the employer ordinarily employs, for all or part of the year, at least one employee, whether full-time or part-time, by any other employer with which the employer is associated at the end of the year and that carries on such a business at that time;

“total payroll threshold” of an employer for a year means

- (a) \$5,500,000 for the year 2018;
- (b) \$6,000,000 for the years 2019 and 2020;
- (c) \$6,500,000 for the year 2021; and
- (d) \$7,000,000 for a year subsequent to the year 2021;

“total qualified capital investments” in relation to a large investment project, within the meaning of paragraph *a* of the definition of that expression, means total qualified capital investments, within the meaning of section 737.18.17.1 of the Taxation Act, in relation to the large investment project;

“wages” means base wages, within the meaning of section 1159.1 of the Taxation Act, excluding, except for the purposes of the definition of “total payroll”, subparagraph *b* of the first paragraph of section 33.0.2 and subparagraph ii of subparagraph *b* of the second paragraph of section 34, the following amounts:

(a) *(paragraph repealed)*;

(b) wages paid by an employer to a person who is, within the meaning of an agreement on social security that provides for the reciprocal coverage of health insurance plans, entered into between the Government of Québec and the government of a foreign country, a worker on secondment, for the period in which the person is such a seconded worker, where pursuant to the agreement, the person is subject only to the legislation of the foreign country to which the reciprocal coverage applies.

“year” means a calendar year.

However, an employer is not an exempt employer at a particular time in a taxation year that is included in a day of that year that is referred to in the fourth paragraph of section 771.1 of that Act.

Similarly, an employer who ceases, at the beginning of a taxation year, to be an exempt corporation within the meaning of sections 771.12 and 771.13 of the Taxation Act, because of subparagraph *f* or *g* of the first paragraph of section 771.13, is not an exempt employer at a particular time in the part of the preceding taxation year that begins at the time when the situation set out in that subparagraph occurs.

Where the definition of “employer exemption” in the first paragraph applies, in respect of an eligible employer, to a time included in the eligible employer’s taxation year that includes the last day of the eligible employer’s exemption period, the amount of \$700,000 in the definition shall be replaced, wherever it occurs, by an amount equal to such proportion of \$700,000 as the number of days in the taxation year that are included in the exemption period is of the number of days in the taxation year.

The expression “eligible activities”, where it applies in relation to a large investment project, within the meaning of paragraph *a* of the definition of that expression in the first paragraph, that concerns the development of a digital platform, only includes activities relating to the maintenance and upgrade of the digital platform components, activities relating to the supply of support and client services, provided that those services concern only the use of the platform, and other similar activities relating to its use, excluding activities that consist in developing the platform.

In this division, the tax assistance limit in relation to a large investment project, within the meaning of paragraph *a* of the definition of that expression in the first paragraph, is determined in accordance with section 737.18.17.8 of the Taxation Act where the tax assistance limit is that of an employer that is a corporation and section 34.1.0.4 where the tax assistance limit is that of an employer that is a partnership.

In this division, two large investment projects, within the meaning of paragraph *a* of the definition of that expression in the first paragraph, that are covered by the same qualification certificate are deemed to be a single large investment project (referred to as a “deemed large investment project”), except as regards the determination, in respect of each project, of the total qualified capital investments of the employer carrying out the projects, the date of the beginning of the tax-free period and the last day of the tax-free period, and this rule applies throughout the particular period that begins on the date of the beginning of the tax-free period in respect of the large investment project that began first (referred to as the “first large investment project”) and that ends on the last day of the tax-free period in respect of the other large investment project (referred to as the “second large investment project”).

Where an employer has made a computation method election that is applicable to a particular taxation year or fiscal period, in relation to a large investment project, within the meaning of paragraph *a* of the definition of that expression in the first paragraph, such an election is deemed to have been made, for the purposes of this division, in respect of all its other large investment projects; for that purpose, a certificate issued for that year or fiscal period, as the case may be, in relation to another large investment project, within the meaning of that paragraph *a*, is deemed, for the purposes of subparagraph *ii* of subparagraph *d.1* of the sixth paragraph of section 34, to certify that such an election was made by the employer.

Where an employee’s wages are paid on or before 31 December 2020 in respect of a week included in the period described in paragraph *k* of the definition of “specified period” in the first paragraph, the definition of “specified wages” in the first paragraph is to be read as follows, in respect of those wages:

““specified wages” of an employee means the wages paid, allocated, granted or awarded to the employee by the employee’s designated employer for a week in which the employee is on leave with pay and that is included in a specified period during which the employee is a designated employee and the designated employer would be a qualifying entity if that specified period ended on 31 December 2020;”.

1978, c. 70, s. 10; 1985, c. 25, s. 177; 1986, c. 15, s. 217; 1993, c. 19, s. 158; 1993, c. 64, s. 217; 1995, c. 1, s. 215; 1997, c. 14, s. 314; 1997, c. 85, s. 370; 1999, c. 83, s. 284; 1999, c. 86, s. 100; 2000, c. 39, s. 268; 2002, c. 9, s. 145; 2002, c. 40, s. 328; 2003, c. 2, s. 304; 2003, c. 9, s. 436; 2004, c. 21, s. 517; 2005, c. 1, s. 324; 2005, c. 23, s. 268; 2005, c. 38, s. 349; 2006, c. 36, s. 278; 2007, c. 12, s. 309; 2010, c. 25, s. 238; 2015, c. 21, s. 591; 2015, c. 24, s. 162; 2017, c. 1, s. 431; 2019, c. 14, s. 519; 2021, c. 14, s. 212; 2021, c. 36, s. 181; 2022, c. 23, s. 166; 2024, c. 11, s. 144.

33.0.1. *(Repealed).*

1997, c. 14, s. 315; 1997, c. 85, s. 371; 2003, c. 9, s. 437.

33.0.2. For the purposes of the definition of “total payroll” in the first paragraph of section 33, this section and sections 33.0.3, 33.0.4 and 34.1.0.3 to 34.1.0.6, the following rules must be taken into consideration:

(a) in the definition of “employer” in the first paragraph of section 33, “person” is deemed to include a partnership;

(b) wages paid or deemed to be paid by an employer as a member of a partnership are deemed to have been paid by the partnership and not by the employer.

In addition, for the purposes of the definition of “total payroll” in the first paragraph of section 33, an employer is associated with another employer at the end of a year where the employers are at that time corporations associated with each other in accordance with Chapter IX of Title II of Book I of Part I of the Taxation Act (chapter I-3), and, for that purpose,

(a) an employer who is an individual is deemed to be a corporation all of the voting shares in the capital stock of which are owned at that time by the individual;

(b) an employer that is a partnership is deemed to be a corporation all of the voting shares in the capital stock of which are owned at that time by each member of the partnership in a proportion equal to the proportion that the member's share of the income or loss of the partnership for the partnership's last fiscal period ending at or before that time is of the income or loss of the partnership for that fiscal period, on the assumption that, if the income and loss of the partnership for that fiscal period are nil, the partnership's income for that fiscal period is equal to \$1,000,000;

(c) an employer that is a trust, within the meaning of section 1 of the Taxation Act, is deemed to be a corporation all of the voting shares in the capital stock of which

i. in the case of a testamentary trust, within the meaning of section 1 of the Taxation Act, under which one or more beneficiaries are entitled to receive all of the income of the trust that arose before the date of death of one or the last surviving of those beneficiaries, in this subparagraph referred to as the “distribution date”, and under which no other person may, before the distribution date, receive or otherwise obtain the enjoyment of any of the income or capital of the trust,

(1) where any such beneficiary's share of the income or capital of the trust depends on the exercise by any person of, or the failure by any person to exercise, a power to appoint, and where that time occurs before the distribution date, are owned at that time by the beneficiary;

(2) where subparagraph 1 does not apply and where that time occurs before the distribution date, are owned at that time by the beneficiary in a proportion equal to the proportion that the fair market value of the beneficial interest in the trust of the beneficiary is of the fair market value of the beneficial interests in the trust of all those beneficiaries,

ii. where a beneficiary's share of the accumulating income or capital of the trust depends upon the exercise by any person of, or the failure by any person to exercise, a power to appoint, are owned at that time by the beneficiary, except where subparagraph i applies and that time occurs before the distribution date,

iii. in any case where subparagraph ii does not apply, are owned at that time by the beneficiary in a proportion equal to such proportion of all such shares as the fair market value of the beneficial interest in the trust of the beneficiary is of the fair market value of all beneficial interests in the trust, except where subparagraph i applies and that time occurs before the distribution date, and

iv. in the case of a trust referred to in section 467 of the Taxation Act, are owned at that time by the person referred to therein from whom property of the trust or property for which it was substituted was directly or indirectly received; and

(d) a partnership that has no fiscal period ending on or before that time is deemed, for the purposes of subparagraph *b*, to have a fiscal period ending at that time for which it has an income equal to \$1,000,000.

2000, c. 39, s. 269; 2005, c. 1, s. 325; 2005, c. 38, s. 350; 2015, c. 21, s. 592; 2024, c. 11, s. 145.

33.0.3. Where it may reasonably be considered that one of the main reasons for the separate existence of two or more employers at the end of a year or for the transfer of a business or part of a business from one employer to another employer in the year is to reduce the total payroll of any of the employers for that year, the employers are deemed, for the purposes of the definition of “total payroll” provided for in the first paragraph of section 33, to be employers associated with each other at the end of the year and carrying on at that time such a business as described in that definition.

2000, c. 39, s. 269; 2001, c. 51, s. 246.

33.0.3.1. Where the amount of \$7,000,000 specified in paragraph d of the definition of “total payroll threshold” in the first paragraph of section 33 must be used for a particular year subsequent to the year 2022, it is to be adjusted annually in such a manner that it is equal to the amount obtained by multiplying that amount of \$7,000,000 by the proportion that the aggregate of the average weekly earnings of the industrial composite in Québec as established by Statistics Canada for each of the 12 months preceding 1 July of the year that precedes the particular year is of such an aggregate for each of the 12 months preceding 1 July 2021.

Where the amount that results from the adjustment provided for in the first paragraph is not a multiple of \$100,000, it is to be rounded to the nearest multiple of \$100,000 or, if it is equidistant from two such multiples, to the higher multiple.

2019, c. 14, s. 520.

33.0.4. The rules set out in the second paragraph apply where, in a particular year, there is

(a) a merger of two or more corporations that are replaced to form one corporation; or

(b) transfer of property belonging or having belonged to a particular corporation or partnership made, as part of the winding-up or dissolution of the particular corporation or partnership or of a series of transactions or events including the winding-up or dissolution, in favour of a person who or a partnership that, immediately after the transfer, would be associated with the particular corporation or partnership according to the rules set out in the second paragraph of section 33.0.2, with the necessary modifications, if any relevant factor to consider for that purpose, with respect to the ownership of a share of the capital stock of the particular corporation or of an interest in the particular partnership or with respect to the holding of a right relating to such a share or to such an interest, were established on the basis of the situation existing immediately before the beginning of the winding-up or dissolution or of the series of transactions or events and, where applicable, if the particular corporation or partnership existed immediately after the transfer.

The rules to which the first paragraph refers are as follows:

(a) in the case provided for in subparagraph *a* of that paragraph,

i. the total payroll for the particular year of any employer and, for the purposes of subparagraph 2 of subparagraph i of subparagraph *a* of the first paragraph of section 34.0.0.1, the total payroll for the preceding year of the corporation resulting from the merger, shall be established as if the corporations mentioned in subparagraph *a* of the first paragraph were the same corporation, and

ii. for the purpose of determining which of subparagraphs i and ii of subparagraph *a* of the first paragraph of section 34.0.0.1 applies to the corporation resulting from the merger for a period provided for in that

subparagraph *a* in the particular year or subsequent year, that corporation is deemed to be the same corporation as each of the predecessor corporations ; and

(*b*) in the case provided for in subparagraph *b* of that paragraph,

i. the total payroll for the particular year of any employer and, for the purposes of subparagraph 2 of subparagraph *i* of subparagraph *a* of the first paragraph of section 34.0.0.0.1 in respect of a period provided for in that subparagraph *a* that is the period in which the transfer occurs or a subsequent period of the particular year, the total payroll for the preceding year of the person who or the partnership that is the transferee shall be established as if the particular corporation or partnership and the person who or the partnership that is the transferee were the same person or partnership, and

ii. for the purpose of determining which of subparagraphs *i* and *ii* of subparagraph *a* of the first paragraph of section 34.0.0.0.1 applies to the person that is the transferee, or to any employer as a member of the partnership that is the transferee, for a period provided for in that subparagraph *a* that is the period during which the transfer occurs or a subsequent period of the particular year or subsequent year, the person or partnership that is the transferee is deemed to be the same person or partnership as the particular corporation or particular partnership.

Where this section applies in relation to a merger of corporations or transfer of property, referred to as “initial operation” in this paragraph, that occurred in the particular year, and in relation to a merger of corporations or transfer of property, referred to as “subsequent operation” in this paragraph, that occurred subsequently in the same year, and where any of the predecessor corporations or the corporation or partnership wound up or dissolved in the subsequent operation is a corporation or partnership that was, in the initial operation, the corporation resulting from the merger of corporations or the person or partnership that is the transferee of the transfer of property, mention of any corporation, person or partnership mentioned in subparagraph *a* or *b* of the first paragraph in relation to any such operation, made in subparagraph *i* of subparagraph *a* of the second paragraph or subparagraph *i* of subparagraph *b* of that paragraph, is deemed to include mention of any other corporation, person or partnership mentioned in subparagraph *a* or *b* of the first paragraph in relation to the other operation, made in either subparagraph *i* or made because of this paragraph.

2000, c. 39, s. 269; 2002, c. 9, s. 146; 2005, c. 1, s. 326.

33.1. The application of this division and the regulations shall not be affected by article 77 of the Civil Code in determining whether or not a person is resident in Québec, in Canada or elsewhere.

1994, c. 22, s. 357.

33.2. In this subdivision and subdivisions 2 and 3.2, any reference to wages that a person or an employer pays or has paid is a reference to wages that the person or employer pays, allocates, grants or awards or has paid, allocated, granted or awarded.

1995, c. 1, s. 216; 2015, c. 24, s. 163.

§ 2. — Contribution payable by employers

1993, c. 64, s. 218.

34. Every employer, except a prescribed employer, shall pay to the Minister of Revenue a contribution equal to the percentage, provided for in the second paragraph, of the wages that the employer pays to the employer’s employee who reports for work at the employer’s establishment in Québec, that the employer is deemed to pay to the employee or that the employer pays in respect of the employee, or to the employer’s employee to whom those wages, if the employee is not required to report for work at an establishment of the employer, are paid, deemed to be paid or paid in respect of the employee from such an establishment in Québec.

The percentage to be applied to wages referred to in the first paragraph is,

(a) except where subparagraph *b* applies,

i. where the employer is a specified employer for the year in which the employer pays or is deemed to pay the wages (other than an eligible specified employer for that year) and the employer's total payroll for that year is equal to or less than \$1,000,000,

(1) 2.5% for the year 2017,

(2) 2.3% in respect of wages paid or deemed to be paid after 31 December 2017 and before 28 March 2018, 1.95% in respect of wages paid or deemed to be paid after 27 March 2018 and before 16 August 2018 and 1.75% in respect of wages paid or deemed to be paid after 15 August 2018 and before 1 January 2019,

(3) 1.7% for the year 2019, or

(4) 1.65% for a year subsequent to the year 2019,

(5) *(subparagraph repealed)*;

i.1. where the employer is an eligible specified employer for the year in which the employer pays or is deemed to pay the wages and the employer's total payroll for that year is equal to or less than \$1,000,000,

(1) 1.55% for the year 2017,

(2) 1.5% in respect of wages paid or deemed to be paid after 31 December 2017 and before 28 March 2018, 1.45% in respect of wages paid or deemed to be paid after 27 March 2018 and before 16 August 2018 and 1.25% in respect of wages paid or deemed to be paid after 15 August 2018 and before 1 January 2019, or

(3) 1.25% for a year subsequent to the year 2018,

ii. where the employer is a specified employer for the year in which the employer pays or is deemed to pay the wages (other than an eligible specified employer for that year) and the employer's total payroll for that year is more than \$1,000,000 but less than the employer's total payroll threshold for the year, the percentage determined by the formula

$$A + (B \times C)$$

ii.1. where the employer is an eligible specified employer for the year in which the employer pays or is deemed to pay the wages and the employer's total payroll for that year is more than \$1,000,000 but less than the employer's total payroll threshold for the year, the percentage determined by the formula

$$D + (E \times C)$$

iii. in any other case, 4.26%; and

(b) in the case of wages paid or deemed to be paid by the employer as a member of a particular partnership, the percentage that would be determined under subparagraph *a* in respect of the wages if

i. in the definition of "employer" in the first paragraph of section 33, "person" included a partnership, and

ii. wages paid or deemed to be paid by a particular employer as a member of the particular partnership had been paid or deemed to be paid by that partnership and not by the particular employer.

In the formulas in subparagraphs ii and ii.1 of subparagraph *a* of the second paragraph,

(a) *A* is

i. 2.06% for the year 2017,

ii. 1.8644% in respect of wages paid or deemed to be paid after 31 December 2017 and before 28 March 2018, 1.4367% in respect of wages paid or deemed to be paid after 27 March 2018 and before 16 August 2018 and 1.1922% in respect of wages paid or deemed to be paid after 15 August 2018 and before 1 January 2019,

iii. 1.188% for the year 2019, or

iv. for a year subsequent to the year 2019, the percentage that corresponds to the amount by which 1.65% exceeds the quotient obtained by dividing 2.61% by the amount by which 1 is exceeded by the proportion that the employer's total payroll threshold for the year is of \$1,000,000;

v. *(subparagraph repealed)*;

(b) B is

i. 0.44% for the year 2017,

ii. 0.4356% in respect of wages paid or deemed to be paid after 31 December 2017 and before 28 March 2018, 0.5133% in respect of wages paid or deemed to be paid after 27 March 2018 and before 16 August 2018 and 0.5578% in respect of wages paid or deemed to be paid after 15 August 2018 and before 1 January 2019,

iii. 0.512% for the year 2019, or

iv. for a year subsequent to the year 2019, the percentage that corresponds to the quotient obtained by dividing 2.61% by the amount by which 1 is exceeded by the proportion that the employer's total payroll threshold for the year is of \$1,000,000;

v. *(subparagraph repealed)*;

(c) C is the quotient obtained by dividing the employer's total payroll for the year by \$1,000,000;

(d) D is

i. 0.8725% for the year 2017,

ii. 0.8867% in respect of wages paid or deemed to be paid after 31 December 2017 and before 28 March 2018, 0.8256% in respect of wages paid or deemed to be paid after 27 March 2018 and before 16 August 2018 and 0.5811% in respect of wages paid or deemed to be paid after 15 August 2018 and before 1 January 2019, or

iii. for a year subsequent to the year 2018, the percentage that corresponds to the amount by which 1.25% exceeds the quotient obtained by dividing 3.01% by the amount by which 1 is exceeded by the proportion that the employer's total payroll threshold for the year is of \$1,000,000; and

(e) E is

i. 0.6775% for the year 2017,

ii. 0.6133% in respect of wages paid or deemed to be paid after 31 December 2017 and before 28 March 2018, 0.6244% in respect of wages paid or deemed to be paid after 27 March 2018 and before 16 August 2018 and 0.6689% in respect of wages paid or deemed to be paid after 15 August 2018 and before 1 January 2019, or

iii. for a year subsequent to the year 2018, the percentage that corresponds to the quotient obtained by dividing 3.01% by the amount by which 1 is exceeded by the proportion that the employer's total payroll threshold for the year is of \$1,000,000.

If the percentage determined by the formulas in subparagraphs ii and ii.1 of subparagraph *a* of the second paragraph has more than two decimal places, only the first two decimal digits are retained and the second is increased by one unit if the third is greater than 4. In addition, if the percentage determined in accordance with subparagraph iv of subparagraph *a* or *b* of the third paragraph or with subparagraph iii of subparagraph *d* or *e* of the third paragraph has more than four decimal places, only the first four decimal digits are retained and the fourth is increased by one unit if the fifth is greater than 4.

However, where the employer is an eligible employer at the time the wages are paid or deemed to be paid, where that time is included in the employer's exemption period and where the wages are not wages that would not be wages because of paragraph *a* of the definition of "wages" in the first paragraph of section 33 if section 64 of the Act respecting international financial centres (chapter C-8.3) were read as if "75%" in the first paragraph was replaced by "100%" and were read without reference to its second paragraph, no contribution is payable under this section in respect of 75% of the portion of the wages that does not exceed the amount by which the employer exemption at that time exceeds the aggregate of the other wages paid or deemed to be paid at that time by the employer, and each of which is wages in respect of which, in a proportion of 75%, no contribution is payable under this section by reason of this paragraph.

In addition, no contribution is payable under this section

(*a*) in respect of the wages paid or deemed to be paid by an employer if, at the time the wages are paid or deemed to be paid, the employer is an exempt employer other than an employer described in subparagraph i of subparagraph *a.1* and if that time is included in the employer's eligibility period;

(*a.1*) in respect of 3/4 of the wages paid or deemed to be paid by an employer if

i. at the time of payment or deemed payment of the wages, the employer is an exempt employer referred to in subparagraph iii of paragraph *a* of section 771.12 of the Taxation Act in respect of whom any of the conditions mentioned in subparagraphs 1 and 2 of subparagraph i of subparagraph *b* of the second paragraph of section 771.8.5 of that Act is met, and

ii. the time of payment or deemed payment of the wages is included in the employer's eligibility period;

(*b*) in respect of the wages paid or deemed to be paid by an employer that carries on a recognized business, within the meaning of section 1029.8.36.0.38 of the Taxation Act, at the time of payment or deemed payment, comprised in the base period in relation to the recognized business, of the wages to one of the employees if, for the pay period comprised in the base period in respect of which the wages relate, the employee spends 75% or more of working time performing duties within the international trade zone, within the meaning of that section, in the course of the recognized business;

(*c*) in respect of the wages paid or deemed to be paid by an employer that carries on a business that is referred to in section 1029.8.36.0.38.1 of the Taxation Act, at the time of payment or deemed payment, comprised in the base period in relation to the business, of the wages to one of the employees if, for the pay period comprised in the base period in respect of which the wages relate, the employee spends 75% or more of working time performing duties relating to the business activities that, because of section 1029.8.36.0.38.2 of that Act, are deemed to be carried on within the international trade zone;

(*d*) (*subparagraph repealed*);

(*d.1*) if an employer carries out, in a taxation year or fiscal period, a large investment project and encloses the prescribed form containing prescribed information with the information return referred to in section 3 of the Regulation respecting contributions to the Québec Health Insurance Plan (chapter R-5, r. 1) that the employer is required to file for the year that includes, at least in part, the taxation year or fiscal period,

i. except where subparagraph ii applies and subject to section 34.1.0.3, in respect of the wages that are paid or deemed to be paid to an employee in respect of the part of the employee's working time devoted exclusively to eligible activities of the employer, in relation to the large investment project, other than construction, expansion or modernization activities in respect of an immovable where that project will be

carried out, and that are paid or deemed to be paid for a pay period comprised in a tax-free period of the employer, for the taxation year or fiscal period, as the case may be, in relation to the project, or

ii. subject to section 34.1.0.3.1, in respect of the wages paid or deemed to be paid to an employee for a pay period comprised in a tax-free period of the employer, for the taxation year or fiscal period, as the case may be, in relation to the large investment project, to the extent that they are not in respect of the part of the employee's working time devoted to construction, expansion or modernization activities in respect of an immovable where that project will be carried out, if the certificate that was issued for the taxation year or fiscal period, in relation to the project, certifies that the employer elected to use the alternate computation method provided for in section 34.1.0.3.1;

(d.2) subject to section 34.1.0.5, in respect of the wages paid or deemed to be paid by an employer that is a qualified corporation or a qualified partnership, in relation to a large investment project of the employer, if the wages are paid or deemed to be paid to an employee for a pay period comprised in a tax-free period of the employer, for a taxation year or fiscal period, as the case may be, in relation to the project, to the extent that they are not referred to in subparagraph *d.1* and are not in respect of the part of the employee's working time devoted to construction, expansion or modernization activities in respect of an immovable where that project will be carried out and if the employer encloses the prescribed form containing prescribed information with the information return referred to in section 3 of the Regulation respecting contributions to the Québec Health Insurance Plan that the employer is required to file for the year that includes, at least in part, the taxation year or fiscal period; and

(e) (*subparagraph repealed*);

(f) in respect of the wages paid or deemed to be paid by an employer that is an international governmental organization whose head office is situated in Québec, unless the organization consents to pay a contribution in respect of those wages.

For the purposes of subparagraphs *b* and *c* of the sixth paragraph, where a pay period is not wholly comprised in the base period in relation to the employer's recognized business or, where applicable, in relation to the employer's business referred to in section 1029.8.36.0.38.1 of the Taxation Act, only the period in respect of which the wages relate that is comprised in the base period shall be taken into account.

For the purposes of subparagraphs *d.1* and *d.2* of the sixth paragraph, the following rules must, where applicable, be taken into consideration:

(a) the wages paid or deemed to be paid to an employee by an employer do not include directors' fees, premiums, incentive bonuses, commissions or benefits referred to in Division II of Chapter II of Title II of Book III of Part I of the Taxation Act;

(b) where a pay period is not wholly comprised in a tax-free period of the employer, in relation to the large investment project, only the part of the period in respect of which the wages relate that is comprised in the tax-free period must be taken into account; and

(c) the wages paid or deemed to be paid to an employee in respect of the part of the employee's working time devoted to eligible activities of an employer referred to in subparagraph *i* of that subparagraph *d.1*, in relation to a deemed large investment project of the employer within the meaning of the seventh paragraph of section 33, for a pay period that ends after the last day of the tax-free period in respect of the first large investment project (in this section referred to as the "particular day") is deemed to be equal to either

i. where the pay period includes the particular day, the amount determined by the formula

$$A = \{B \times [C / (C + D)]\}, \text{ or}$$

- ii. in any other case, the amount determined by the formula

$$A \times [D / (C + D)].$$

In the formulas in the eighth paragraph,

(a) A is the wages paid or deemed to be paid to the employee in respect of the part of the employee's working time devoted to eligible activities of the employer referred to in subparagraph *d.1* of the sixth paragraph, in relation to the deemed large investment project, for the pay period, that is otherwise determined;

(b) B is the wages paid or deemed to be paid to the employee in respect of the part of the employee's working time devoted to eligible activities of the employer referred to in subparagraph *d.1* of the sixth paragraph, in relation to the deemed large investment project, which relates to the part of the pay period that begins after the particular day and that is otherwise determined;

(c) C is the total qualified capital investments of the employer, in relation to the first large investment project, on the date of the beginning of the tax-free period in respect of the project; and

(d) D is the total qualified capital investments of the employer, in relation to the second large investment project, on the date of the beginning of the tax-free period in respect of the project.

However, the sixth paragraph does not apply in respect of wages paid or deemed to be paid by an excluded employer.

1978, c. 70, s. 10; 1981, c. 12, s. 27; 1983, c. 43, s. 13; 1985, c. 25, s. 178; 1987, c. 21, s. 98; 1988, c. 4, s. 156; 1990, c. 7, s. 229; 1991, c. 8, s. 107; 1992, c. 1, s. 218; 1993, c. 64, s. 219; 1995, c. 1, s. 217; 1995, c. 63, s. 283; 1997, c. 14, s. 316; 1997, c. 85, s. 372; 1999, c. 83, s. 285; 2000, c. 39, s. 270; 2001, c. 51, s. 248; 2002, c. 9, s. 147; 2002, c. 40, s. 329; 2003, c. 9, s. 438; 2004, c. 21, s. 518; 2005, c. 1, s. 327; 2005, c. 23, s. 269; 2005, c. 38, s. 351; 2009, c. 5, s. 583; 2010, c. 25, s. 239; 2015, c. 21, s. 593; 2015, c. 24, s. 164; 2017, c. 1, s. 432; 2017, c. 29, s. 233; 2019, c. 14, s. 521; 2022, c. 23, s. 167; 2024, c. 11, s. 146.

34.0.0.0.1. Every employer subject to a contribution referred to in section 34 in relation to wages that the employer pays or is deemed to pay in a particular year shall pay to the Minister of Revenue,

(a) on the dates, for the periods and according to the terms and conditions prescribed in section 1015 of the Taxation Act (chapter I-3),

i. where the particular year is a year immediately following two consecutive years for which, except in the case of wages paid or deemed to be paid by the employer as a member of a partnership, the employer was subject to the contribution of this subdivision or, in the case of wages paid or deemed to be paid by the employer as a member of a partnership, the partnership would have been so subject had the presumptions in subparagraphs i and ii of subparagraph *b* of the second paragraph of section 34 applied, an amount equal to

(1) the contribution established in respect of the wages pursuant to section 34, or

(2) the contribution that would be established in respect of the wages pursuant to section 34 if the percentage applicable to the wages were the percentage that would be applicable if the employer's total payroll for the particular year or, in the case of wages paid or deemed to be paid by the employer as a member of a partnership, the total payroll of the partnership for the particular year, were equal to the total payroll for the employer or partnership, as the case may be, for the preceding year,

ii. where subparagraph i does not apply, an amount equal to

(1) the contribution established in respect of the wages pursuant to section 34, or

(2) the contribution that would be established in respect of the wages pursuant to section 34 if the percentage applicable to the wages were the percentage that would be applicable to the wages if the employer's total payroll for the particular year or, in the case of wages paid or deemed to be paid by the employer as a member of a partnership, the total payroll of the partnership for the particular year, were established on the assumption that the particular year had ended on the last day of the period provided for in section 1015 of the Taxation Act in which the wages was paid or deemed to be paid, or

iii. where, in the case of wages paid or deemed to be paid by the employer as a member of a partnership, the partnership or, if such is not the case, the employer, ceases to carry on its business in the particular year, an amount equal to the amount by which the following amount exceeds the amount that the employer is required to pay pursuant to subparagraph i or ii in relation to the wages:

(1) the contribution established in respect of the wages pursuant to section 34, or

(2) the contribution that would be established in respect of the wages pursuant to section 34 if the percentage applicable to the wages were the percentage that would be applicable if the total payroll of the employer for the particular year or, in the case of wages paid or deemed to be paid by the employer as a member of a partnership, the total payroll of the partnership for the particular year, were established having regard only to wages paid or deemed to be paid by the employer or partnership, as the case may be, on or before the time at which the employer or partnership, as the case may be, ceased to carry on the business; and

(b) on the date on or before which the employer is required to file the information return referred to in section 3 of the Regulation respecting contributions to the Québec Health Insurance Plan (chapter R-5, r. 1) for the particular year, the balance of the contribution established in respect of the wages pursuant to section 34.

No amount is payable pursuant to subparagraph i or ii of subparagraph *a* of the first paragraph by the employer in respect of a particular contribution if, in respect of the particular contribution,

(a) an amount is payable pursuant to subparagraph iii of that subparagraph *a*, or would be payable, but for those subparagraphs i and ii; and

(b) the date provided for in that subparagraph *a* for the payment provided for, without reference to this paragraph, in that subparagraph i or ii is after the date provided for in that subparagraph for the payment provided for, or that would be provided for, but for those subparagraphs i and ii, in subparagraph iii of that subparagraph *a*.

2000, c. 39, s. 271; 2005, c. 38, s. 352.

34.0.0.0.2. Any contribution that is unpaid by an employer on the date provided for in subparagraph *b* of the first paragraph of section 34.0.0.0.1 in respect of that contribution shall bear interest at the rate fixed under section 28 of the Tax Administration Act (chapter A-6.002), from that date to the day of payment.

2000, c. 39, s. 271; 2010, c. 31, s. 175.

34.0.0.0.3. In addition to the interest payable under section 34.0.0.0.2, an employer liable to make a payment under subparagraph *a* of the first paragraph of section 34.0.0.0.1 in respect of a contribution shall pay interest, on every payment or part of a payment which the employer has not made on or before the date of expiry of the time granted for making it, at the rate fixed under section 28 of the Tax Administration Act (chapter A-6.002), for the period extending from that date to the day of payment or to the day when the employer becomes liable to pay interest under section 34.0.0.0.2, whichever is earlier.

For the purposes of this section and section 59.2 of the Tax Administration Act, any employer required to make a payment under subparagraph *a* of the first paragraph of section 34.0.0.0.1 is deemed to have been liable to make a payment based on,:

(a) in the case provided for in subparagraph i of that subparagraph *a*, the lesser of the contribution referred to in subparagraph 1 of that subparagraph i and the contribution referred to in subparagraph 2 of that subparagraph i;

(b) in the case provided for in subparagraph ii of that subparagraph *a*, the lesser of the contribution referred to in subparagraph 1 of that subparagraph ii and the contribution referred to in subparagraph 2 of that subparagraph ii; and

(c) in the case provided for in subparagraph iii of that subparagraph *a*, the lesser of the contribution referred to in subparagraph 1 of that subparagraph iii and the contribution referred to in subparagraph 2 of that subparagraph iii and, where applicable, on the amount that the employer is required to pay pursuant to subparagraph i or ii of that subparagraph *a*, established according to the lesser of the contribution referred to in subparagraph 1, and the contribution referred to in subparagraph 2, of that subparagraph i or ii.

2000, c. 39, s. 271; 2002, c. 40, s. 330; 2010, c. 31, s. 175; 2022, c. 23, s. 168.

34.0.0.4. *(Repealed).*

2002, c. 9, s. 148; 2003, c. 9, s. 439.

34.0.0.1. For the purposes of section 34, the following rules apply:

(a) an employee who reports for work at an establishment of his employer means

i. in respect of wages not described in subparagraph ii, an employee who reports for work at that establishment for the employee's regular pay period to which the wages relate;

ii. in respect of wages that are paid as a premium, an increase with retroactive effect or a vacation pay, that are paid to a trustee or custodian in respect of the employee or that do not relate to a regular pay period of the employee, an employee who ordinarily reports for work at that establishment;

(b) where, during a regular pay period of an employee, the employee reports for work at an establishment of his employer situated in Québec and at an establishment of his employer situated outside Québec, the employee is deemed for that period, in respect of wages not described in subparagraph ii of subparagraph *a*,

i. except where subparagraph ii applies, to report for work only at the establishment situated in Québec;

ii. to report for work only at the establishment situated outside Québec where, during that period, he reports for work mainly at such an establishment of his employer;

(c) where an employee ordinarily reports for work at an establishment of his employer situated in Québec and at an establishment of his employer situated outside Québec, the employee is deemed, in respect of wages described in subparagraph ii of subparagraph *a*, to ordinarily report for work only at the establishment situated in Québec.

1995, c. 63, s. 284; 2005, c. 38, s. 353.

34.0.0.2. For the purposes of section 34, where an employee is not required to report for work at an establishment of his employer and where his wages are not paid or deemed to be paid from such an establishment situated in Québec, that employee is deemed to report for work at an establishment of his employer situated in Québec for a pay period if, in reference to the place where he mainly reports for work, the place where he mainly performs his duties, the employee's principal place of residence, the establishment from which the employee is supervised, the nature of the duties performed by the employee or any other similar criterion, it may reasonably be considered that the employee for that pay period is an employee of that establishment.

1997, c. 85, s. 373; 2002, c. 9, s. 149.

34.0.0.3. For the purposes of this subdivision, where an employee of an establishment, situated elsewhere than in Québec, of an employer provides a service in Québec to another employer that is not the employer of the employee, or for the benefit of such an other employer, an amount that may reasonably be regarded as the wages earned by the employee to provide the service is deemed to be wages paid by the other employer, in the pay period in which the wages are paid to the employee, to an employee of the other employer who reports for work at an establishment of that other employer situated in Québec if,

(a) at the time the service is provided, the other employer has an establishment situated in Québec;

(b) the service provided by the employee is

i. performed by the employee in the ordinary course of performing the duties of the employment with the employer,

ii. provided to, or for the benefit of, the other employer in the course of the regular, ongoing activities of a business carried on by the other employer, and

iii. in the nature of the services provided by employees of employers carrying on the same type of business as the business referred to in subparagraph ii; and

(c) the amount is not otherwise included in the aggregate of the wages paid by the other employer and determined for the purposes of this subdivision.

1997, c. 85, s. 373.

34.0.0.4. Section 34.0.0.3 does not apply in respect of a pay period of another employer referred to therein if the Minister is of opinion that a reduction in the contribution payable under this Act by the employers referred to in section 34.0.0.3 is not one of the purposes or expected results of entering into or maintaining in effect

(a) an agreement under which the service is provided by the employee referred to in section 34.0.0.3 to the other employer or for the benefit of the other employer; or

(b) any other agreement that affects the amount of wages paid by the other employer in the pay period for the purposes of this subdivision and that the Minister considers to relate to the agreement for the provision of services referred to in paragraph a.

1997, c. 85, s. 373.

34.0.1. In this subdivision, where a particular employer pays wages, other than an amount described in section 43, 43.3, 47 or 47.1 of the Taxation Act (chapter I-3), in respect of which no employer would be bound, but for this section and the fifth and sixth paragraphs of section 34, to pay a contribution under section 34 and the person to whom the particular employer pays such wages is not required, in respect of those wages, to report for work at an establishment of the particular employer, the following rules apply:

(a) the particular employer is deemed to be an employer of the person to whom he pays the wages;

(b) the person to whom the wages are paid is deemed to be an employee of the particular employer.

1991, c. 8, s. 108; 1992, c. 1, s. 219; 1993, c. 64, s. 220; 1995, c. 1, s. 218; 1997, c. 14, s. 317; 1997, c. 85, s. 374; 2000, c. 39, s. 272; 2005, c. 38, s. 354; 2017, c. 29, s. 234; 2022, c. 23, s. 169.

34.0.2. For the purposes of this subdivision, where, in a period, an employee is, within the meaning of an agreement on social security providing for the reciprocal coverage of health insurance plans, entered into between the Gouvernement du Québec and the government of a foreign country, a worker seconded to that country by an employer having an establishment in Québec and, under the agreement, the employee is subject to the legislation of Québec only where reciprocity applies, he is deemed, for that period, to report for work at

the establishment, situated in Québec, of the employer by whom he was so seconded and, where his wages for that period are not paid by the employer by whom he was seconded, the following rules apply:

(a) the employee must inform that employer in writing, on or before the sixtieth day following the end of a year, of the aggregate of all amounts paid to him as wages during all or part, as the case may be, of the period included in that year, as a worker seconded by the employer, within the meaning of the agreement;

(b) the amounts so paid to the employee as wages during all or part, as the case may be, of the period included in the year, are deemed to be wages paid by the employer to his employee, on the sixtieth day following the end of the year.

1993, c. 19, s. 159; 1993, c. 64, s. 221.

34.1. Where an employer has undertaken in a collective agreement entered into under the Labour Code (chapter C-27) to pay, for the benefit of his employees, the contribution that they had to pay under Division II of the Act to provide for the financing of health programmes (1976, chapter 27) as it read before being replaced by Division I of Chapter IV of this Act, he must remit to them an amount equivalent to that contribution at each maturity until the end of his undertaking. The employer must in addition indicate to the association certified under the Labour Code, not later than 60 days after 4 April 1979, the amount so returned to each of his employees and the manner in which that amount was established.

The employer is discharged from the obligation to remit to his employees the amount owing to them under the first paragraph, if the association certified under the Labour Code accepts that the employer grant equivalent benefits to his employees.

Payment of the amounts owed by an employer to his employees under the first and second paragraphs shall not be exacted by them before the expiry of the 60 days contemplated in the first paragraph.

Any difficulty resulting from the application of this section constitutes a grievance within the meaning of the Labour Code as in the case of the interpretation or application of the collective agreement binding the employer and that association.

1979, c. 1, s. 58.

34.1.0.1. *(Repealed).*

2002, c. 40, s. 331; 2009, c. 5, s. 584; 2022, c. 23, s. 170.

34.1.0.2. *(Repealed).*

2010, c. 25, s. 240; 2022, c. 23, s. 170.

34.1.0.3. The aggregate of all amounts each of which is a contribution that, under subparagraph i of subparagraph d.1 of the sixth paragraph of section 34, is not payable by an employer for a taxation year or a fiscal period may not exceed the aggregate of all amounts each of which is a contribution exemption amount of the employer for the taxation year or for the fiscal period, as the case may be, in respect of a large investment project of the employer that is referred to in that subparagraph d.1.

For the purposes of this section, an employer's contribution exemption amount for a taxation year or a fiscal period, as the case may be, in respect of a large investment project of the employer is equal to the lesser of

(a) the balance of the employer's tax assistance limit, for the taxation year or fiscal period, in respect of the large investment project; and

(b) the aggregate of all amounts each of which is, for the taxation year or fiscal period, a contribution that would not be payable by the employer in respect of wages paid or deemed to be paid to an employee, in

relation to part of the employee's working time devoted to eligible activities of the employer, in relation to the project, if subparagraph *d.1* of the sixth paragraph of section 34 were applied without reference to this section.

The balance of an employer's tax assistance limit, for a particular taxation year or fiscal period, in respect of a large investment project of the employer, is equal to

(a) where the employer is a corporation, the amount by which the employer's tax assistance limit in relation to the large investment project exceeds the aggregate of

i. the aggregate of all amounts each of which is, for the particular taxation year or a preceding taxation year, in relation to the large investment project, equal to the amount determined by the formula

$$A \times B \times C,$$

ii. the aggregate of all amounts each of which is the employer's contribution exemption amount, for a preceding taxation year, in respect of the large investment project,

iii. where, at any time in the particular taxation year, the employer transfers its recognized business in relation to the large investment project to another corporation or a partnership, the amount that was transferred to the other corporation or the partnership pursuant to the agreement referred to in section 737.18.17.12 of the Taxation Act (chapter I-3) in respect of the transfer; and

iv. in the case of a deemed large investment project within the meaning of the seventh paragraph of section 33, the aggregate of the following amounts, if any:

(1) the amount determined by the following formula for the taxation year that includes the last day of the tax-free period in respect of the first large investment project and ends after that day, unless the balance of the employer's tax assistance limit for that year, in respect of the deemed large investment project, determined without reference to this subparagraph, is less than or equal to the employer's tax assistance limit in relation to the second large investment project:

$$D - [(D \times F) + (E \times G)], \text{ and}$$

(2) the amount determined by the following formula for the taxation year that follows the taxation year that includes the last day of the tax-free period in respect of the first large investment project, unless the balance of the employer's tax assistance limit for that year, in respect of the deemed large investment project, determined without reference to this subparagraph, is less than or equal to the employer's tax assistance limit in relation to the second large investment project:

$$D - E; \text{ or}$$

(b) where the employer is a partnership, the amount by which the employer's tax assistance limit in relation to the large investment project exceeds the aggregate of

i. the aggregate of all amounts each of which is the employer's contribution exemption amount, for a preceding fiscal period, in respect of the large investment project,

ii. the aggregate of all amounts each of which is an amount agreed on, in respect of the particular fiscal period or a preceding fiscal period, in relation to the large investment project, pursuant to an agreement referred to in section 737.18.17.10 of the Taxation Act,

iii. where, at any time in the particular fiscal period, the employer transfers its recognized business in relation to the large investment project to a corporation or another partnership, the amount that was transferred to the corporation or the other partnership pursuant to the agreement referred to in section 737.18.17.12 of the Taxation Act in respect of the transfer;

iv. in the case of a deemed large investment project within the meaning of the sixth paragraph of section 33, the aggregate of the following amounts, if any:

(1) the amount determined by the following formula for the fiscal period that includes the last day of the tax-free period in respect of the first large investment project and ends after that day, unless the balance of the employer's tax assistance limit for that fiscal period, in respect of the deemed large investment project, determined without reference to this subparagraph, is less than or equal to the employer's tax assistance limit in relation to the second large investment project:

$$D - [(D \times F) + (E \times G)], \text{ and}$$

(2) the amount determined by the following formula for the fiscal period that follows the fiscal period that includes the last day of the tax-free period in respect of the first large investment project, unless the balance of the employer's tax assistance limit for that fiscal period, in respect of the deemed large investment project, determined without reference to this subparagraph, is less than or equal to the employer's tax assistance limit in relation to the second large investment project:

$$D - E.$$

In the formulas in the third paragraph,

(a) A is 1, unless the employer has an establishment situated outside Québec for the taxation year, in which case it is the proportion that the employer's business carried on in Québec is of the aggregate of the employer's business carried on in Canada or in Québec and elsewhere, as determined under subsection 2 of section 771 of the Taxation Act for the year;

(b) B is, subject to the sixth and seventh paragraphs, the aggregate of

i. 8% of the amount by which the amount that would be determined in respect of the employer for the year under section 771.2.1.2 of the Taxation Act if no reference were made to section 771.2.5.1 of that Act and if, for the purposes of paragraph b of section 771.2.1.2 of that Act, the employer's taxable income for the year, for the purposes of Part I of that Act, were computed without reference to section 737.18.17.5 of that Act, exceeds the amount determined in respect of the employer for the year under section 771.2.1.2 of that Act, and

ii. the product obtained by multiplying the basic rate determined for the year in respect of the employer under section 771.0.2.3.1 of the Taxation Act by the amount by which the amount that is deducted in computing the employer's taxable income for the year under section 737.18.17.5 of that Act exceeds the excess amount determined under subparagraph i;

(c) C is the proportion that the employer's tax exemption amount for the year in respect of the large investment project, determined in accordance with the second paragraph of section 737.18.17.6 of the Taxation Act, is of the aggregate of all amounts each of which is such a tax exemption amount of the employer for the year in respect of a large investment project of the employer, or of a partnership of which the employer is a member, that is referred to in the first paragraph of section 737.18.17.5 of that Act for the year;

(d) D is the balance of the employer's tax assistance limit for the taxation year or fiscal period referred to in subparagraph 1 or 2 of subparagraph iv of subparagraph *a* or *b*, as the case may be, of the third paragraph, in respect of the deemed large investment project, determined without reference to that subparagraph 1 or 2, as the case may be;

(e) E is the employer's tax assistance limit in relation to the second large investment project;

(f) F is the proportion that the number of days in the part of the taxation year or fiscal period referred to in subparagraph 1 of subparagraph iv of subparagraph *a* or *b*, as the case may be, of the third paragraph that ends on the last day of the tax-free period in respect of the first large investment project is of the number of days in the taxation year or fiscal period; and

(g) G is the proportion that the number of days in the taxation year or fiscal period referred to in subparagraph 1 of subparagraph iv of subparagraph *a* or *b*, as the case may be, of the third paragraph that follow the last day of the tax-free period in respect of the first large investment project is of the number of days in the taxation year or fiscal period.

For the purpose of determining the amount referred to in subparagraph i of subparagraph *a* of the third paragraph for any taxation year for which section 733.0.5.1 of the Taxation Act applies to the employer, subparagraph *b* of the fourth paragraph is to be read as if

(a) the amount that is deducted in computing the employer's taxable income for the year under section 737.18.17.5 of that Act were increased by the amount by which the employer's non-capital loss for the year exceeds the amount that would be that loss if it were determined without reference to section 733.0.5.1 of that Act; and

(b) the employer's taxable income for the year, for the purposes of Part I of that Act, determined without reference to section 737.18.17.5 of that Act, were equal to the amount that, but for section 737.18.17.6 of that Act, would be determined in respect of the employer for the year under section 737.18.17.5 of that Act.

Where the employer is a manufacturing corporation, within the meaning assigned by the first paragraph of section 771.1 of the Taxation Act, to which paragraph *d.3* of subsection 1 of section 771 of that Act applies for the taxation year, subparagraph i of subparagraph *b* of the fourth paragraph is to be read as if "8% of" were replaced by "the product obtained by multiplying the difference between the basic rate determined for the year in respect of the employer under section 771.0.2.3.1 of the Taxation Act and the percentage determined for the year in its respect under section 771.0.2.5 of that Act by".

Where the employer is a primary and manufacturing sectors corporation, within the meaning assigned by the first paragraph of section 771.1 of the Taxation Act, to which paragraph *d.4* of subsection 1 of section 771 of that Act applies for the taxation year, subparagraph i of subparagraph *b* of the fourth paragraph is to be read as if "8% of" were replaced by "the product obtained by multiplying the difference between the basic rate determined for the year in respect of the employer under section 771.0.2.3.1 of the Taxation Act and the percentage determined for the year in its respect under section 771.0.2.6 of that Act by".

2015, c. 21, s. 594; 2017, c. 1, s. 433; 2019, c. 14, s. 522; 2022, c. 23, s. 171; 2024, c. 11, s. 147.

34.1.0.3.1. The aggregate of all amounts each of which is a contribution that, under subparagraph ii of subparagraph *d.1* of the sixth paragraph of section 34, is not payable by an employer for a particular taxation year or fiscal period may not exceed the employer's contribution holiday amount for the particular taxation year or fiscal period, as the case may be, in respect of one or more large investment projects of the employer that are referred to in that subparagraph *d.1*.

For the purposes of this section, an employer's contribution holiday amount for a particular taxation year or fiscal period, in respect of one or more large investment projects of the employer, is equal to the aggregate of all amounts each of which is an amount that, for the particular taxation year or fiscal period, as the case may be, in relation to any of those large investment projects, is determined by the formula

$$(A \times B/C) - D.$$

In the formula in the second paragraph,

(a) A is the unused portion of the employer's tax assistance limit, for the particular taxation year or fiscal period, in relation to the large investment project, that is determined under the fourth paragraph;

(b) B is the number of days in the period that begins on the first day of the employer's first taxation year, or first fiscal period, to which the computation method election applies, in relation to the large investment project, or, if it is later, on the date of the beginning of the tax-free period in respect of the project, and that ends on the earlier of

- i. the last day of the particular taxation year or fiscal period, and
- ii. the last day of the tax-free period in respect of the large investment project;

(c) C is the number of days in the period that begins on the first day of the employer's first taxation year, or first fiscal period, to which the computation method election applies, in relation to the large investment project, or, if it is later, on the date of the beginning of the tax-free period in respect of the project, and that ends on the last day of the tax-free period in respect of the project; and

(d) D is the cumulative value of the employer's tax assistance for the particular taxation year or fiscal period, in respect of the large investment project, that is determined under the fifth paragraph.

The unused portion of an employer's tax assistance limit for a particular taxation year or fiscal period, in relation to a large investment project, is, subject to the eighth paragraph, either the amount (in this paragraph referred to as the "particular amount") that would be the balance of the employer's tax assistance limit in respect of the large investment project, determined in accordance with the third paragraph of section 34.1.0.3, for its first taxation year or its first fiscal period to which the computation method election in relation to the project applies (in this paragraph referred to, as the case may be, as the "first year" or "first period"), if the employer had not made such an election and if, as the case may be, subparagraph i of subparagraph *a* or subparagraph ii of subparagraph *b* of that third paragraph were read without reference to "the particular taxation year or" or "the particular fiscal period or", or, in the case of a deemed large investment project within the meaning of the seventh paragraph of section 33, where the first year or first period is not later than the taxation year or fiscal period, as the case may be, that includes the date of the beginning of the tax-free period in respect of the second large investment project and where the particular taxation year or fiscal period is not the first year or first period and is referred to in subparagraph *a* or *b*, whichever of the following amounts is applicable:

(a) where the particular taxation year or fiscal period begins before the date of the beginning of the tax-free period in respect of the second large investment project and ends on that date or later, the total of the particular amount and the amount determined by the formula

$$E \times F;$$

(b) where the particular taxation year or fiscal period begins on the date of the beginning of the tax-free period in respect of the second large investment project or later, the total of the particular amount and the employer's tax assistance limit in relation to that second large project.

The cumulative value of an employer's tax assistance, for a particular taxation year or fiscal period, in respect of a large investment project of the employer, is equal to

(a) where the employer is a corporation, the aggregate of

i. the aggregate of all amounts each of which is, in respect of the large investment project, for the taxation year or a preceding taxation year to which the computation method election in relation to the project applies, equal to the amount determined by the formula

$$G \times H \times I,$$

ii. the aggregate of all amounts each of which is, in respect of the large investment project, for a preceding taxation year to which the computation method election in relation to the project applies, equal to the amount determined by the formula

$$J \times K,$$

iii. where, at any time in the particular taxation year, the employer transfers its recognized business in relation to the large investment project to another corporation or a partnership, the amount that was transferred to the other corporation or the partnership pursuant to the agreement referred to in section 737.18.17.12 of the Taxation Act (chapter I-3) in respect of the transfer, and

iv. in the case of a deemed large investment project within the meaning of the seventh paragraph of section 33, either of the following amounts, if any:

(1) where the particular taxation year includes the last day of the tax-free period in respect of the first large investment project and ends after that day, the amount determined by the formula

$$L - [(L \times M) + (E \times N)], \text{ or}$$

(2) where the particular taxation year is subsequent to the year that includes the last day of the tax-free period in respect of the first large investment project, the amount determined by the formula

$$L - E; \text{ or}$$

(b) where the employer is a partnership, the aggregate of

i. the aggregate of all amounts each of which is, in respect of the large investment project, for a preceding fiscal period to which the computation method election in relation to the project applies, equal to the amount determined by the formula

$J \times K$,

ii. the aggregate of all amounts each of which is the amount agreed on, in respect of the particular fiscal period or a preceding fiscal period to which the computation method election in relation to the large investment project applies, pursuant to an agreement referred to in section 737.18.17.10.1 of the Taxation Act,

iii. where, at any time in the particular fiscal period, the employer transfers its recognized business in relation to the large investment project to a corporation or another partnership, the amount that was transferred to the corporation or the other partnership pursuant to the agreement referred to in section 737.18.17.12 of the Taxation Act in respect of the transfer, and

iv. in the case of a deemed large investment project within the meaning of the seventh paragraph of section 33, either of the following amounts, if any:

(1) where the particular fiscal period includes the last day of the tax-free period in respect of the first large investment project and ends after that day, the amount determined by the formula

$L - [(L \times M) + (E \times N)]$, or

(2) where the particular fiscal period is subsequent to the fiscal period that includes the last day of the tax-free period in respect of the first large investment project, the amount determined by the formula

$L - E$.

In the formulas in the fourth and fifth paragraphs,

(a) E is the employer's tax assistance limit in relation to the second large investment project;

(b) F is the proportion that the number of days in the part of the particular taxation year or fiscal period that begins on the date of the beginning of the tax-free period in respect of the second large investment project is of the number of days in that taxation year or fiscal period;

(c) G is 1, unless the employer has an establishment situated outside Québec for the taxation year, in which case it is the proportion that the employer's business carried on in Québec is of the aggregate of the employer's business carried on in Canada or in Québec and elsewhere, as determined under subsection 2 of section 771 of the Taxation Act for the taxation year;

(d) H is the aggregate of

i. 3.2% of the amount by which the amount that would be determined in respect of the employer for the taxation year under section 771.2.1.2 of the Taxation Act if, for the purposes of paragraph b of that section,

the employer's taxable income for the taxation year, for the purposes of Part I of that Act, were computed without reference to section 737.18.17.5 of that Act, exceeds the amount that is determined in respect of the employer for the taxation year under that section 771.2.1.2, and

ii. 11.5% of the amount by which the amount deducted by the employer in computing taxable income for the taxation year under section 737.18.17.5 of the Taxation Act exceeds the excess amount determined under subparagraph i;

(e) I is the proportion that the employer's maximum annual tax exemption amount for the taxation year, in relation to the large investment project, is of the aggregate of all amounts each of which is the employer's maximum annual tax exemption amount for the taxation year, in relation to a large investment project of the employer or of a partnership of which the employer is a member, that is referred to in the first paragraph of section 737.18.17.5 of the Taxation Act for the taxation year;

(f) J is the aggregate of the amounts that are not payable by the employer for the preceding taxation year or fiscal period under subparagraph ii of subparagraph *d.1* of the sixth paragraph of section 34;

(g) K is the proportion that the employer's maximum annual contribution exemption amount for the preceding taxation year or fiscal period, in relation to the large investment project, is of the aggregate of all amounts each of which is the employer's maximum annual contribution exemption amount for the preceding taxation year or fiscal period, in relation to a large investment project of the employer that is referred to in subparagraph *d.1* of the sixth paragraph of section 34 for the taxation year or fiscal period;

(h) L is

i. where the particular taxation year or fiscal period is referred to in subparagraph 1 of subparagraph iv of subparagraph *a* or *b*, as the case may be, of the fifth paragraph, the amount by which the unused portion of the employer's tax assistance limit, in relation to the deemed large investment project, for the particular taxation year or fiscal period, exceeds the cumulative value of the employer's tax assistance for the taxation year or fiscal period, as the case may be, in respect of the project, determined without reference to that subparagraph 1, or

ii. where the particular taxation year or fiscal period is referred to in subparagraph 2 of subparagraph iv of subparagraph *a* or *b*, as the case may be, of the fifth paragraph, the amount by which the unused portion of the employer's tax assistance limit, in relation to the deemed large investment project, for the first taxation year or first fiscal period that follows the taxation year or fiscal period, as the case may be, that includes the last day of the tax-free period in respect of the first large investment project, exceeds the cumulative value of the employer's tax assistance for the first taxation year or first fiscal period in respect of the project, determined without reference to that subparagraph 2;

(i) M is the proportion that the number of days in the part of the particular taxation year or fiscal period that ends on the last day of the tax-free period in respect of the first large investment project is of the number of days in the taxation year or fiscal period; and

(j) N is the proportion that the number of days in the particular taxation year or fiscal period that follow the last day of the tax-free period in respect of the first large investment project is of the number of days in the taxation year or fiscal period.

Where, at any time of a particular day, an employer (in this paragraph referred to as the "acquirer") acquired all or substantially all of a recognized business from another employer (in this paragraph referred to as the "vendor"), in relation to a large investment project, and where the Minister of Finance previously authorized the transfer of the carrying out of the large investment project to the acquirer, according to a qualification certificate issued by that Minister to the acquirer in respect of the project, the following rules must, where applicable, be taken into consideration for the purposes of subparagraphs *b* and *c* of the third paragraph:

(a) where subparagraph ii of subparagraph *d.1* of the sixth paragraph of section 34 applies to the vendor,

i. the vendor's taxation year or fiscal period that includes that time is deemed to end on the particular day, and

ii. the vendor's last day of the tax-free period, in respect of the large investment project, is deemed to be the particular day; and

(b) where subparagraph ii of subparagraph *d.1* of the sixth paragraph of section 34 applies to the acquirer, the acquirer's taxation year or fiscal period that includes that time is deemed to begin on the particular day.

Where the first taxation year or first fiscal period to which the computation method election applies, in relation to a large investment project of an employer, ends before the date of the end of the start-up period of the large investment project, the unused portion of the employer's tax assistance limit, in relation to the project, must be increased, for a particular taxation year or fiscal period that is subsequent to that first taxation year or first fiscal period, as the case may be, by the amount that is the product obtained by multiplying by 15% the amount that would be the employer's total qualified capital investments on the date of the end of the start-up period or, if it is earlier, the date of the end of the particular taxation year or fiscal period, if the definition of "total qualified capital investments" in the first paragraph of section 737.18.17.1 of the Taxation Act were read as if "from the beginning of the carrying out of the large investment project" were replaced by "from the time that immediately follows the end of the employer's first taxation year, or first fiscal period, to which the computation method election applies".

For the purpose of applying subparagraphs *b* and *c* of the third paragraph to a deemed large investment project within the meaning of the seventh paragraph of section 33, the following rules must be taken into consideration:

(a) the date of the beginning of the tax-free period that is referred to in those subparagraphs is the date that is determined in respect of the first large investment project; and

(b) the last day of the tax-free period that is referred to in those subparagraphs is the day that is determined in respect of the second large investment project, unless the particular year or fiscal period precedes the year or period for which a first certificate has been issued in relation to the project, in which case it is the day that is determined in respect of the first large investment project.

2024, c. 11, s. 148.

34.1.0.4. Subject to the second, fourth and fifth paragraphs, a partnership's tax assistance limit, in relation to a large investment project, is 15% of the partnership's total qualified capital investments on the date of the end of the start-up period of the large investment project, unless the partnership acquired all or substantially all of the recognized business in relation to the project, in which case it is the amount that was transferred to the partnership pursuant to the agreement referred to in section 737.18.17.12 of the Taxation Act (chapter I-3) in respect of the acquisition.

In the case of a deemed large investment project within the meaning of the seventh paragraph of section 33, the partnership's tax assistance limit in relation to the project is, for a particular fiscal period,

(a) where the particular fiscal period ends before the date of the beginning of the tax-free period in respect of the second large investment project, the partnership's tax assistance limit in relation to the first large investment project;

(b) where the particular fiscal period begins before the date of the beginning of the tax-free period in respect of the second large investment project and ends on or after that date, the amount determined by the formula

$A + (B \times C)$; or

(c) where the particular fiscal period begins on or after the date of the beginning of the tax-free period in respect of the second large investment project, the amount determined by the formula

$A + B$.

In the formulas in the second paragraph,

(a) A is the partnership's tax assistance limit in relation to the first large investment project;

(b) B is the partnership's tax assistance limit in relation to the second large investment project; and

(c) C is the proportion that the number of days in the part of the particular fiscal period that begins on the date of the beginning of the tax-free period in respect of the second large investment project is of the number of days in the fiscal period.

Where the partnership has begun to carry on the recognized business in relation to the large investment project in a fiscal period that ends before the date of the end of the start-up period of the project, the partnership's tax assistance limit in relation to the project, for any fiscal period that ends before the date of the end of the start-up period of the project, is to be computed, under the first paragraph, on the date on which that fiscal period ends.

Where the partnership has acquired all or substantially all of the recognized business in relation to the large investment project before the date of the end of the start-up period of the project, the partnership's tax assistance limit in relation to the project, for any fiscal period that ends on or after the date of the end of the start-up period of the project, is to be increased by an amount equal to the product obtained by multiplying by 15% the amount that would be the partnership's total qualified capital investments on the date of the end of the start-up period if the definition of "total qualified capital investments" in the first paragraph of section 737.18.17.1 of the Taxation Act were read as if "from the beginning of the carrying out of the large investment project" were replaced by "from the time the corporation or partnership acquired the recognized business in relation to the large investment project".

2015, c. 21, s. 594; 2019, c. 14, s. 523; 2021, c. 36, s. 182.

34.1.0.5. The aggregate of all amounts each of which is a contribution that, under subparagraph *d.2* of the sixth paragraph of section 34, is not payable by an employer for a particular taxation year or fiscal period may not exceed the amount determined in accordance with the second paragraph in respect of the employer for the particular taxation year or fiscal period, as the case may be, in relation to one or more large investment projects of the employer that are referred to in that subparagraph *d.2*.

For the purposes of this section, the amount to which the first paragraph refers in respect of an employer for a particular taxation year or fiscal period, in relation to one or more large investment projects of the employer, is equal to the aggregate of all amounts each of which is an amount that, for the particular taxation year or fiscal period, as the case may be, in relation to any of those large investment projects, is determined by the formula

$(A \times B/C) - D$.

In the formula in the second paragraph,

(a) A is the employer's total tax assistance for the particular taxation year or fiscal period, in respect of the large investment project, that is determined under section 34.1.0.6;

(b) B is the number of days in the period that begins on the date of the beginning of the tax-free period, in respect of the large investment project, and that ends on the last day of the particular taxation year or fiscal period or, if it is earlier, on the last day of the tax-free period, in respect of the project;

(c) C is the number of days in the period that begins on the date of the beginning of the tax-free period in respect of the large investment project and that ends on the last day of the tax-free period in respect of the project; and

(d) D is

i. where the employer is a corporation, the aggregate of

(1) the aggregate of all amounts each of which is, for the particular taxation year or a preceding taxation year, in relation to the large investment project, equal to the amount determined by the formula

$E \times F \times G$,

(2) the aggregate of all amounts each of which is, for a preceding taxation year, in relation to the large investment project, equal to the amount determined by the formula

$H \times I$, and

(3) where, at any time in the particular taxation year, the employer transfers all or substantially all of the employer's activities arising from the carrying out of the large investment project to another corporation or a partnership, the amount that was transferred to the other corporation or the partnership pursuant to the agreement referred to in section 737.18.17.21 of the Taxation Act (chapter I-3) in respect of the transfer, or

ii. where the employer is a partnership, the aggregate of

(1) the aggregate of all amounts each of which is, for a preceding fiscal period, in relation to the large investment project, equal to the amount determined by the formula

$H \times I$,

(2) the aggregate of all amounts each of which is the amount agreed on, in respect of the particular fiscal period or a preceding fiscal period, in relation to the large investment project, pursuant to an agreement referred to in section 737.18.17.20 of the Taxation Act, and

(3) where, at any time in the particular fiscal period, the employer transfers the employer's activities arising from the carrying out of the large investment project to a corporation or another partnership, the

amount that was transferred to the corporation or the other partnership pursuant to the agreement referred to in section 737.18.17.21 of the Taxation Act in respect of the transfer.

In the formulas in the third paragraph,

(a) E is 1, unless the employer has an establishment situated outside Québec for the taxation year, in which case it is the proportion that the employer's business carried on in Québec is of the aggregate of the employer's business carried on in Canada or in Québec and elsewhere, as determined under subsection 2 of section 771 of the Taxation Act for the taxation year;

(b) F is the aggregate of

i. 3.2% of the amount by which the amount that would be determined in respect of the employer for the taxation year under section 771.2.1.2 of the Taxation Act if, for the purposes of paragraph *b* of that section, the employer's taxable income for the taxation year, for the purposes of Part I of that Act, were computed without reference to section 737.18.17.17 of that Act, exceeds the amount that is determined in respect of the employer for the taxation year under that section 771.2.1.2, and

ii. 11.5% of the amount by which the amount deducted by the employer in computing taxable income for the taxation year under section 737.18.17.17 of the Taxation Act exceeds the excess amount determined under subparagraph *i*;

(c) G is the proportion that the employer's maximum annual tax exemption amount for the taxation year, in relation to the large investment project, is of the aggregate of all amounts each of which is the employer's maximum annual tax exemption amount for the taxation year, in relation to a large investment project of the employer or of a partnership of which the employer is a member, that is referred to in the first paragraph of section 737.18.17.17 of the Taxation Act for the taxation year;

(d) H is the aggregate of the amounts that are not payable by the employer for the preceding taxation year or fiscal period under subparagraph *d.2* of the sixth paragraph of section 34; and

(e) I is the proportion that the employer's maximum annual contribution exemption amount for the preceding taxation year or fiscal period, in relation to the large investment project, is of the aggregate of all amounts each of which is the employer's maximum annual contribution exemption amount for the preceding taxation year or fiscal period, in relation to a large investment project of the employer that is referred to in subparagraph *d.2* of the sixth paragraph of section 34 for the taxation year or fiscal period.

Where, at any time of a particular day, an employer (in this paragraph referred to as the "acquirer") acquired all or substantially all of the activities arising from the carrying out of a large investment project from another employer (in this paragraph referred to as the "vendor"), and where the Minister of Finance previously authorized the transfer of those activities to the acquirer, according to a qualification certificate issued by that Minister to the acquirer in respect of the project, the following rules must, where applicable, be taken into consideration for the purposes of subparagraphs *b* and *c* of the third paragraph:

(a) the vendor's taxation year or fiscal period that includes that time is deemed to end on the particular day;

(b) the vendor's last day of the tax-free period, in relation to the large investment project, is deemed to correspond to the particular day;

(c) the acquirer's taxation year or fiscal period that includes that time is deemed to begin on the particular day; and

(d) the date of the beginning of the acquirer's tax-free period, in relation to the large investment project, is deemed to correspond to the date of the particular day.

2024, c. 11, s. 149.

34.1.0.6. An employer's total tax assistance for a taxation year or fiscal period, in respect of a large investment project, is equal either to the product obtained by multiplying the employer's cumulative total eligible expenses at the end of the taxation year or fiscal period, as the case may be, in respect of the large investment project, by the rate provided for in section 737.18.17.19 of the Taxation Act (chapter I-3), in relation to the project, or, where the employer acquired all or substantially all of the activities arising from the carrying out of the project, subject to the second paragraph, the amount transferred to the employer pursuant to the agreement referred to in section 737.18.17.21 of the Taxation Act in respect of the transfer.

Where an employer has acquired all or substantially all of the activities arising from the carrying out of a large investment project before the end of the investment period in respect of that project, the amount that was transferred to the employer pursuant to the agreement referred to in section 737.18.17.21 of the Taxation Act in respect of the transfer, for any taxation year that ends on or after the day of the transfer, must be increased by an amount equal to the product obtained by multiplying by the rate provided for in section 737.18.17.19 of that Act, in respect of the project, the amount that would be the employer's total eligible expenses, in respect of the large investment project, at the end of the investment period if the definition of "total eligible expenses" in the first paragraph of section 737.18.17.14 of the Taxation Act were read as if "in the investment period" were replaced by "in the part of the investment period that follows the day of the transfer".

2024, c. 11, s. 149.

§ 3. — *Contribution payable by individuals*

1993, c. 64, s. 222.

34.1.1. Every individual resident in Québec on the last day of a year, other than an individual who, under section 982 or 983 of the Taxation Act (chapter I-3) or under any of subparagraphs *a* to *c* and *f* of the first paragraph of section 96 of the Tax Administration Act (chapter A-6.002) is exempt from the tax provided for under Part I of the Taxation Act for the year, shall pay a contribution on his total income for the year.

1993, c. 64, s. 222; 2007, c. 12, s. 310; 2010, c. 31, s. 175.

34.1.2. For the purposes of section 34.1.1, where, in a year, an individual has died or has ceased to be resident in Canada, the last day of that year is deemed to be the day of his death or the last day of his being resident in Canada, as the case may be.

1993, c. 64, s. 222.

34.1.3. Where, for the purposes of Part I of the Taxation Act (chapter I-3), an individual is deemed to have been resident in Québec throughout a year, he is deemed, for the purposes of this subdivision, to have been resident in Québec throughout the year.

1993, c. 64, s. 222.

34.1.4. In this subdivision, subject to section 34.1.5, the total income of an individual for a year means the amount by which

(a) the aggregate of

i. any amount that, for the purposes of Part I of the Taxation Act (chapter I-3), the individual is required to include in computing his income for the year from an office or employment under

(1) section 42.8 of that Act,

(2) section 43 of that Act, or

(3) section 58.2 or 58.3 of that Act by reason of paragraph *a* of those sections;

ii. any amount representing the individual's income for the year from a business or property, computed in accordance with Part I of the Taxation Act but without reference to the second paragraph of section 497 of that Act,

iii. any amount representing an amount determined for the year in respect of the individual under paragraph *b* of section 28 of the Taxation Act, in respect of capital gains and capital losses;

iv. any amount, other than income derived from an office, an employment, a business or property, computed in accordance with Part I of the Taxation Act, and other than an amount contemplated in subparagraph iii, that is included in computing the individual's income for the year under Part I of that Act, except any amount included in the computation by reason of

(1) section 310 of that Act, to the extent that that section refers to section 931.1 or 961.17.0.1 of that Act,

(2) paragraph *e.6* or *k.0.1* of section 311, paragraph *g* of section 312 or section 317 of that Act, if such an amount is deductible in computing the individual's taxable income for the year under section 725 of that Act by reason of any of paragraphs *a.1*, *c* and *c.0.1* of that section 725, or is an amount received as a pension under the Old Age Security Act (R.S.C. 1985, c. O-9), or

(3) paragraph *e.2* of section 311 or any of sections 311.1, 312.4 and 313.10 of that Act; exceeds;

v. (*subparagraph repealed*);

(*b*) the aggregate of

i. any amount representing the individual's loss for the year from a business or property, computed in the manner described in subparagraph ii of paragraph *a*,

ii. any amount deducted in computing the individual's income for the year by reason of

(1) any of paragraphs *d*, *d.1*, *d.2.1* and *f* to *i* of section 336 of the Taxation Act, except to the extent that paragraph *d* of that section refers to an amount described in paragraph *e.6* of section 311 or section 311.1 of that Act or to a pension paid under the Old Age Security Act, and except to the extent that the amount referred to in paragraph *g* of that section 336 was not included for the purpose of computing the individual's total income under subparagraph 2 of subparagraph iv of paragraph *a*,

(2) section 336.0.3 or 336.11 of the Taxation Act,

(3) paragraph *b* of section 339 of the Taxation Act to the extent that that paragraph refers to an amount that is deductible under any of sections 924, 928 and 935.42 of that Act,

(4) (*subparagraph repealed*);

(5) any of paragraphs *d*, *d.1*, *d.2*, *f* and *i.1* of section 339 of the Taxation Act or subparagraph i or ii of paragraph *j* of that section,

(5.1) section 346.0.1, to the extent that it is reasonable to consider that the amount so deducted is attributable to the part of the individual's income from artistic activities for the year, referred to in subparagraph ii of paragraph *a*, or

(6) paragraph *c.1* of section 339 of the Taxation Act, to the extent that that paragraph refers to an amount deductible under section 961.21 of that Act,

ii.1. (*subparagraph repealed*);

iii. the part of any allowable business investment loss, within the meaning of section 1 of the Taxation Act, of the individual for the year, deducted by the individual in computing his income for the year under subparagraph ii of paragraph c of section 28 of that Act;

iv. where the individual is contemplated by section 737.16 of the Taxation Act, that part of the aggregate determined under paragraph a that can reasonably be considered to entitle the individual to a deduction under that section in computing his taxable income for the year; and

iv.1. where the individual is referred to in section 737.18.10 of the Taxation Act, that part of the aggregate determined under paragraph a that can reasonably be considered to entitle the individual to a deduction under that section in computing the individual's taxable income for the year;

iv.2. *(subparagraph repealed)*;

v. any amount included in the aggregate determined under paragraph a that is

(1) an amount exempt from income tax in Québec or in Canada that is deducted by the individual in computing his taxable income for the year under section 725 of the Taxation Act by reason of paragraph a thereof, or

(2) income derived from employment that is deducted by the individual in computing his taxable income for the year under section 725 of the Taxation Act by reason of paragraph d thereof;

(3) income situated on a reserve or premises that the individual deducts in computing his taxable income for the year under section 725 of the Taxation Act by reason of paragraph e thereof;

v.1. where the individual so elects, that part of any amount included in the aggregate determined under paragraph a and not otherwise deductible in computing the individual's total income for the year, that relates to an eligible preceding year of the individual, in relation to that year and that the individual deducted under section 725.1.2 of the Taxation Act, or could have deducted under that section if the individual had made the election provided for in that section, in computing the individual's taxable income for the year,

vi. any other amount not otherwise deductible in computing the individual's total income for the year that the individual has deducted in computing his income for the year under Part I of the Taxation Act as repayment of an amount included in the aggregate determined in his respect under paragraph a for a year, or that would be so determined if this section did not apply to that year.

1993, c. 64, s. 222; 1994, c. 22, s. 358; 1995, c. 1, s. 219; 1995, c. 49, s. 243; 1995, c. 63, s. 285; 1997, c. 85, s. 375; 1998, c. 16, s. 300; 1999, c. 86, s. 101; 2000, c. 39, s. 273; 2001, c. 7, s. 176; 2001, c. 51, s. 249; 2002, c. 40, s. 332; 2004, c. 21, s. 519; 2005, c. 23, s. 270; 2005, c. 38, s. 355; 2009, c. 5, s. 585; 2010, c. 5, s. 203; 2011, c. 34, s. 128; 2017, c. 29, s. 235; 2019, c. 14, s. 524; 2022, c. 23, s. 172; 2023, c. 19, s. 129.

34.1.5. For the purpose of determining an individual's total income for the year, the following rules apply:

(a) in the case of an individual who has been resident in Canada only during part of the year, only the amounts referred to in section 34.1.4 that are included or deducted in computing the individual's income determined under Part I of the Taxation Act (chapter I-3) for any period of the year during which the individual was resident in Canada, computed as if that period were a whole taxation year, shall be taken into account;

(b) in the case of an individual who has died in the year, only the amounts included or deducted in computing his income as indicated in a separate fiscal return filed for the year as a result of an election made in accordance with the second paragraph of section 429 of the Taxation Act or section 681 or 1003 of that Act, shall be taken into account;

(c) *(paragraph repealed)*;

(d) the individual may deduct, in computing the individual's total income for the year, an amount equal to the particular amount the individual deducts for the year in computing the individual's taxable income under section 726.42 of the Taxation Act; and

(e) an individual who, in computing the individual's total income for a preceding year, deducted an amount under paragraph *d* in respect of a particular amount shall include in that computation for the year an amount equal to the amount the individual is required to include in computing the individual's taxable income for the year under any of sections 726.43 to 726.43.2 of the Taxation Act in respect of the particular amount.

1993, c. 64, s. 222; 2005, c. 38, s. 356; 2006, c. 36, s. 279; 2010, c. 25, s. 241; 2013, c. 10, s. 213; 2017, c. 29, s. 236; 2021, c. 14, s. 213; 2022, c. 23, s. 173.

34.1.6. The contribution payable by an individual for a particular year under this subdivision is, without exceeding \$1,000, equal to the aggregate of the amount, where subparagraph v.1 of paragraph *b* of section 34.1.4 applies, determined in the second paragraph and

(a) where the individual's total income for the year does not exceed \$41,400, the lesser of \$150 and 1% of the amount by which the individual's total income exceeds \$11,905; or

(b) where the individual's total income for the year exceeds \$41,400, the lesser of \$1,000 and the aggregate of \$150 and 1% of the amount by which the individual's total income exceeds \$41,400.

The amount to which the first paragraph refers is equal to the aggregate of all amounts each of which is, for an eligible preceding year of the individual, in relation to the particular year, to which the amount deducted for the particular year in computing the individual's total income under subparagraph v.1 of paragraph *b* of section 34.1.4 relates in whole or in part, the aggregate of

(a) the amount determined by the formula

A - B; and

(b) where the eligible preceding year is a year preceding the year immediately before the particular year, the amount of interest that would be computed, in respect of the eligible preceding year, in accordance with the second paragraph of section 28 of the Tax Administration Act (chapter A-6.002) for the period beginning on 1 May of the year following the eligible preceding year and ending before the beginning of the particular year, on the amount determined, in respect of the eligible preceding year, under subparagraph *a*, if that amount was a refund due by the Minister under a fiscal law.

In the formula in subparagraph *a* of the second paragraph,

(a) A is the amount by which the amount of the contribution that the individual would have been required to pay under this subdivision for the eligible preceding year if the individual's total income for the eligible preceding year had been increased by the portion, relating to that eligible preceding year, of the aggregate of the amounts deducted in computing the individual's total income under subparagraph v.1 of paragraph *b* of section 34.1.4, for the particular year or for a preceding year, except, if the eligible preceding year ends before 1 January 2003, such an amount deducted in a year that ends before 1 January 2004, exceeds the amount of the contribution payable by the individual under this subdivision for that eligible preceding year; and

(b) B is the aggregate of all amounts each of which is equal to the amount determined, in respect of the eligible preceding year, by the formula in subparagraph *a* of the second paragraph for a year preceding the particular year.

The Minister may waive, in whole or in part, an amount determined under subparagraph *b* of the second paragraph for the particular year—to the extent that the amount is attributable to a particular amount described in the second paragraph of section 725.1.2 of the Taxation Act (chapter I-3)—where the number of years to which the particular amount relates results from exceptional circumstances beyond the individual's control.

A decision of the Minister under the fourth paragraph may not be the subject of an objection, contestation or appeal.

For the purpose of determining the second aggregate referred to in the portion of the second paragraph before subparagraph *a*, in respect of the eligible preceding year, the following rules apply:

(*a*) the proportion described in the fifth paragraph is deemed to be equal to 1 for the eligible preceding year; and

(*b*) where an individual was resident in Canada outside Québec on the last day of the eligible preceding year, the individual is deemed to have been resident in Québec on the last day of that eligible preceding year.

However, the contribution payable under this subsection for a year by an individual who carries on a business outside Québec but within Canada, is equal to the part of the contribution that would, but for this paragraph, be established for the year under this section in respect of the individual, and corresponding to the proportion between his income earned in Québec and his income earned in Québec and elsewhere, as established by regulation.

1993, c. 64, s. 222; 2000, c. 39, s. 274; 2004, c. 21, s. 520; 2005, c. 1, s. 328; 2005, c. 38, s. 357; 2006, c. 36, s. 280; 2010, c. 31, s. 175; 2017, c. 1, s. 434; 2020, c. 12, s. 145.

34.1.6.1. Each of the amounts referred to in the third paragraph shall, where it is to be used for a year subsequent to the year 2004, be adjusted annually in such a manner that the amount used for that year is equal to the total of the amount used for the preceding year and the product obtained by multiplying that amount so used by the factor determined by the formula

$(A / B) - 1$.

In the formula provided for in the first paragraph,

(*a*) *A* is the average all-items Consumer Price Index for Québec excluding alcoholic beverages, tobacco products and recreational cannabis for the 12-month period that ended on 30 September of the year preceding that for which an amount is to be adjusted; and

(*b*) *B* is the average all-items Consumer Price Index for Québec excluding alcoholic beverages, tobacco products and recreational cannabis for the 12-month period that ended on 30 September of the year immediately before the year preceding that for which the amount is to be adjusted.

The amounts to which the first and seventh paragraphs refer are

(*a*) the amount of \$11,905 mentioned in subparagraph *a* of the first paragraph of section 34.1.6; and

(*b*) the amount of \$41,400, wherever it is mentioned in the first paragraph of section 34.1.6.

For the purposes of the first paragraph, where the factor determined by the formula provided for in that paragraph is less than zero, it is deemed to be equal to zero.

If the factor determined by the formula in the first paragraph has more than four decimal places, only the first four decimal digits are retained and the fourth is increased by one unit if the fifth is greater than 4.

Where the amount that results from the adjustment provided for in the first paragraph is not a multiple of \$5, it shall be rounded to the nearest multiple of \$5 or, if it is equidistant from two such multiples, to the higher thereof.

For the purposes of the first paragraph in respect of an amount to be used for the year 2005, each of the amounts referred to in the third paragraph is deemed to be the amount used for the year 2004.

2004, c. 21, s. 521; 2005, c. 1, s. 329; 2009, c. 5, s. 586; 2009, c. 15, s. 476; 2020, c. 5, s. 214.

34.1.6.2. *(Repealed).*

2004, c. 21, s. 521; 2005, c. 1, s. 330.

34.1.7. Except where inconsistent with this subdivision, the second paragraph of section 87.4, subsection 2 of section 333.2, the second paragraph of section 421.8 and sections 485.48, 929.1, 1000 to 1002, 1004 to 1026.0.1, 1026.2, 1026.3 and 1034 to 1079.16 of the Taxation Act (chapter I-3) apply, with the necessary modifications, to this subdivision.

1993, c. 64, s. 222; 1995, c. 1, s. 220; 1995, c. 49, s. 244; 1995, c. 63, s. 286; 1997, c. 14, s. 318; 2009, c. 5, s. 587.

34.1.8. An individual who is not required, under Part I of the Taxation Act (chapter I-3), to make partial payments of the tax payable by him under that Part for a year, is not required to make such payments on his contribution for the year under this subdivision.

1993, c. 64, s. 222.

§ 3.1. — *Corporation established in E-Commerce Place*

2003, c. 9, s. 440.

34.1.9. An employer who, for a taxation year, is a corporation referred to in the first paragraph of section 1029.8.36.0.3.48 or 1029.8.36.0.3.57 of the Taxation Act (chapter I-3), and who, for that taxation year, elects under the fourth paragraph of section 1029.8.36.0.3.48 or under the second paragraph of section 1029.8.36.0.3.57, is deemed, on the date on which the employer files the election with the Minister of Revenue in prescribed form containing the prescribed information referred to in subparagraph *a* of the third paragraph of section 1029.8.36.0.3.48 or in the first paragraph of section 1029.8.36.0.3.57, to have made an overpayment to the Minister of Revenue, for the purposes of this division.

The amount of the overpayment referred to in the first paragraph is equal to the aggregate of all amounts each of which is an amount established, if applicable, in Canadian currency in the manner provided for in paragraph *e* of section 21.4.26 of the Taxation Act that the employer would be deemed to have paid to the Minister of Revenue for the taxation year under section 1029.8.36.0.3.48 of that Act, if it were read without reference to the fourth and fifth paragraphs of that section, or under section 1029.8.36.0.3.57 of that Act, if it were read without reference to the second and third paragraphs of that section.

The Minister of Revenue shall refund to the employer who files the election referred to in the first paragraph with the Minister of Revenue the amount determined under the second paragraph as an overpayment.

2003, c. 9, s. 440; 2010, c. 5, s. 204.

34.1.10. The Minister of Revenue shall, with dispatch, examine the prescribed form containing the prescribed information that is filed with the Minister of Revenue by an employer in accordance with the first paragraph of section 34.1.9, determine the amount of the deemed overpayment that the Minister of Revenue must refund to the employer and send a notice of determination to the employer.

Paragraph *f* of section 312 of the Taxation Act (chapter I-3), paragraph *e* of section 336 of that Act, the provisions of Book IX of Part I of that Act and Chapters III.1 and III.2 of the Tax Administration Act (chapter A-6.002), as they relate to an assessment or a reassessment and to a determination or redetermination of tax,

apply, with the necessary modifications, to a determination or redetermination of the amount of the overpayment referred to in the first paragraph.

2003, c. 9, s. 440; 2010, c. 31, s. 175.

34.1.11. The sums necessary for the refund of an overpayment referred to in section 34.1.9 shall be taken out of the tax revenues collected under the Taxation Act (chapter I-3).

2003, c. 9, s. 440.

§ 3.2. — *Credit for the hiring of eligible employees*

2015, c. 24, s. 165.

34.1.12. Subject to section 34.1.12.1, a specified employer for a particular year preceding the year 2021 whose total payroll for the particular year is less than the employer's total payroll threshold for the particular year and who encloses the prescribed form containing prescribed information with the information return referred to in section 3 of the Regulation respecting contributions to the Québec Health Insurance Plan (chapter R-5, r. 1) that the employer is required to file for the particular year is deemed, on the date on or before which the employer is required to file the information return for the particular year or, where later, on the date on which the employer files, in the prescribed form, an application for a refund with the Minister of Revenue, to have made an overpayment to the Minister of Revenue, for the purposes of this division and in respect of the particular year, of an amount equal to the product obtained by multiplying the specified employer's adjusted reduction rate determined for the particular year by the least of

(a) the aggregate of all amounts each of which is the amount by which the qualified wages paid or deemed to be paid by the specified employer in the particular year to an eligible employee exceed the portion of such qualified wages that constitutes the specified wages the specified employer pays, allocates, grants or awards to that employee for the year;

(b) the amount by which the aggregate of all amounts each of which is the wages paid or deemed to be paid in the particular year by the specified employer to an employee exceeds the aggregate of all amounts each of which is the wages paid or deemed to be paid by the employer in the employer's base year to an employee; and

(c) where the specified employer is associated at the end of the particular year with at least one other employer (other than another employer whose base year does not precede the particular year), the amount attributed to the specified employer for the particular year in accordance with the agreement described in section 34.1.13 and filed with the Minister of Revenue in the prescribed form containing prescribed information or, if no amount is attributed to the specified employer under that agreement or in the absence of such an agreement, zero or the amount attributed to the employer by the Minister of Revenue, as the case may be, for the particular year in accordance with this subdivision.

A specified employer's adjusted reduction rate for a year is equal to the percentage determined in respect of the employer under subparagraph i or i.1 of subparagraph a of the second paragraph of section 34 for the year, if the employer's total payroll is no more than \$1,000,000, and, in any other case, to the percentage determined by the formula

$$A - [A \times (B - 1\,000\,000 \$) / (C - 1\,000\,000 \$)]$$

In the formula in the second paragraph,

(a) A is the percentage determined in respect of the specified employer under subparagraph ii or ii.1 of subparagraph a of the second paragraph of section 34 for the year;

(b) B is the specified employer's total payroll for the year; and

(c) C is the specified employer's total payroll threshold for the year.

If the percentage determined by the formula in the second paragraph has more than two decimal places, only the first two decimal digits are retained and the second is increased by one unit if the third is greater than 4.

The application for a refund to which the first paragraph refers must be made no later than four years after the end of the particular year.

The Minister of Revenue shall refund to the specified employer referred to in the first paragraph the amount determined in respect of the employer under the first paragraph as an overpayment.

For the purposes of this subdivision,

(a) the expression "person" in the definition of "employer" in the first paragraph of section 33 is deemed to include a partnership;

(b) wages paid or deemed to be paid by an employer as a member of a partnership are deemed to be paid by the partnership and not by the employer; and

(c) the second paragraph of section 33.0.2 applies for the purpose of determining whether an employer is associated with another employer at the end of a year.

2015, c. 24, s. 165; 2019, c. 14, s. 525; 2021, c. 14, s. 214.

34.1.12.1. For the purposes of section 34.1.12, where the particular year referred to in that section is the year 2018, the amount of the overpayment that a specified employer referred to in that section is deemed to have made to the Minister of Revenue under the first paragraph of that section is equal to the aggregate of

(a) the product obtained by multiplying the specified employer's adjusted reduction rate in respect of wages paid or deemed to be paid after 31 December 2017 and before 28 March 2018 by the least of

i. the aggregate of all amounts each of which is the qualified wages paid or deemed to be paid by the specified employer after 31 December 2017 and before 28 March 2018 to an eligible employee,

ii. the amount by which the aggregate of all amounts each of which is the wages paid or deemed to be paid after 31 December 2017 and before 28 March 2018 by the specified employer to an employee exceeds the product obtained by multiplying the aggregate of all amounts each of which is the wages paid or deemed to be paid by the employer in the employer's base year to an employee by 86/365, and

iii. where the specified employer is associated at the end of the year 2018 with at least one other employer (other than another employer whose base year does not precede the year 2018), the product obtained by multiplying the amount attributed to the specified employer for the year 2018 in accordance with the agreement described in section 34.1.13 and filed with the Minister of Revenue in the prescribed form containing prescribed information by 86/365 or, if no amount is attributed to the specified employer under that agreement or in the absence of such an agreement, zero or the product obtained by multiplying the amount attributed to the employer by the Minister of Revenue, as the case may be, for the year 2018 in accordance with this subdivision by 86/365;

(b) the product obtained by multiplying the specified employer's adjusted reduction rate in respect of wages paid or deemed to be paid after 27 March 2018 and before 16 August 2018 by the least of

i. the aggregate of all amounts each of which is the qualified wages paid or deemed to be paid by the specified employer after 27 March 2018 and before 16 August 2018 to an eligible employee,

ii. the amount by which the aggregate of all amounts each of which is the wages paid or deemed to be paid after 27 March 2018 and before 16 August 2018 by the specified employer to an employee exceeds the

product obtained by multiplying the aggregate of all amounts each of which is the wages paid or deemed to be paid by the employer in the employer's base year to an employee by 141/365, and

iii. where the specified employer is associated at the end of the year 2018 with at least one other employer (other than another employer whose base year does not precede the year 2018), the product obtained by multiplying the amount attributed to the specified employer for the year 2018 in accordance with the agreement described in section 34.1.13 and filed with the Minister of Revenue in the prescribed form containing prescribed information by 141/365 or, if no amount is attributed to the specified employer under that agreement or in the absence of such an agreement, zero or the product obtained by multiplying the amount attributed to the employer by the Minister of Revenue, as the case may be, for the year 2018 in accordance with this subdivision by 141/365; and

(c) the product obtained by multiplying the specified employer's adjusted reduction rate in respect of wages paid or deemed to be paid after 15 August 2018 and before 1 January 2019 by the least of

i. the aggregate of all amounts each of which is the qualified wages paid or deemed to be paid by the specified employer after 15 August 2018 and before 1 January 2019 to an eligible employee,

ii. the amount by which the aggregate of all amounts each of which is the wages paid or deemed to be paid after 15 August 2018 and before 1 January 2019 by the specified employer to an employee exceeds the product obtained by multiplying the aggregate of all amounts each of which is the wages paid or deemed to be paid by the employer in the employer's base year to an employee by 138/365, and

iii. where the specified employer is associated at the end of the year 2018 with at least one other employer (other than another employer whose base year does not precede the year 2018), the product obtained by multiplying the amount attributed to the specified employer for the year 2018 in accordance with the agreement described in section 34.1.13 and filed with the Minister of Revenue in the prescribed form containing prescribed information by 138/365 or, if no amount is attributed to the specified employer under that agreement or in the absence of such an agreement, zero or the product obtained by multiplying the amount attributed to the employer by the Minister of Revenue, as the case may be, for the year 2018 in accordance with this subdivision by 138/365.

For the purposes of subparagraphs *a* to *c* of the first paragraph, a specified employer's adjusted reduction rate in respect of wages paid or deemed to be paid in the period described in any of those subparagraphs is equal to the percentage determined in respect of the employer under subparagraph 2 of subparagraph *i* or *i.1* of subparagraph *a* of the second paragraph of section 34, as the case may be, in respect of the wages, if the employer's total payroll for the year 2018 is no more than \$1,000,000, and, in any other case, to the percentage determined by the formula

$$A - [A \times (B - 1\,000\,000 \$) / 4\,500\,000 \$].$$

In the formula in the second paragraph,

(a) *A* is, in respect of wages paid or deemed to be paid in the period referred to in the second paragraph, the percentage determined in respect of the specified employer under subparagraph *ii* or *ii.1* of subparagraph *a* of the second paragraph of section 34, as the case may be, in respect of the wages; and

(b) *B* is the specified employer's total payroll for the year.

If the percentage determined by the formula in the second paragraph has more than two decimal places, only the first two decimal digits are retained and the second is increased by one unit if the third is greater than 4.

2019, c. 14, s. 526.

34.1.13. The agreement to which subparagraph *c* of the first paragraph of section 34.1.12 or subparagraph iii of subparagraphs *a* to *c* of the first paragraph of section 34.1.12.1 refers, in respect of a particular year, in relation to a specified employer is the agreement under which all the employers who are associated with each other at the end of the particular year attribute, for the purposes of section 34.1.12 or 34.1.12.1, as the case may be, to one or more of their number, one or more amounts the total of which is not greater than the amount by which the aggregate of the wages paid or deemed to be paid in the particular year by the specified employer and by another such employer so associated at the end of the particular year exceeds the aggregate of the wages paid or deemed to be paid by the specified employer in the employer's base year or by another such employer so associated at the end of the particular year, in that other employer's base year.

If the aggregate of the amounts attributed, in respect of a particular year, under an agreement described in the first paragraph and entered into by the employers who are associated with each other in the particular year is greater than the excess amount determined in that paragraph, the amount determined under subparagraph *c* of the first paragraph of section 34.1.12 or subparagraph iii of any of subparagraphs *a* to *c* of the first paragraph of section 34.1.12.1 in respect of each of those employers for the particular year is deemed, for the purposes of section 34.1.12 or 34.1.12.1, as the case may be, to be equal to the proportion of that excess amount that that amount otherwise determined is of the aggregate of the amounts attributed for the year under the agreement.

2015, c. 24, s. 165; 2019, c. 14, s. 527.

34.1.14. If an employer who is associated at the end of a particular year with at least one other employer fails to file with the Minister of Revenue an agreement for the purposes of this subdivision within 30 days after notice in writing by the Minister of Revenue has been sent to any of the employers so associated that such an agreement is required for the purposes of this subdivision, the Minister of Revenue shall, for the purposes of this subdivision, attribute, for the particular year, an amount to one or more of the employers so associated in the year, which amount or the aggregate of which amounts, as the case may be, must be equal to the excess amount determined for the year under the first paragraph of section 34.1.13 and, in such a case, the amount determined under subparagraph *c* of the first paragraph of section 34.1.12 or subparagraph iii of any of subparagraphs *a* to *c* of the first paragraph of section 34.1.12.1, in respect of each of those employers for the particular year, is deemed, for the purposes of section 34.1.12 or 34.1.12.1, as the case may be, to be equal to the amount so attributed to the employer.

2015, c. 24, s. 165; 2019, c. 14, s. 527.

34.1.15. For the purposes of this subdivision, the rules set out in the second paragraph apply where, in a particular year, there is

(a) a merger of two or more corporations (each of which is referred to in subparagraph *a* of the second paragraph as a “former employer”) that are replaced to form one corporation (in that subparagraph *a* referred to as the “new employer”), or the formation of a new employer that is a corporation or partnership that immediately succeeds an employer (in that subparagraph *a* referred to as the “former employer”);

(b) a transfer of property belonging or having belonged to a particular corporation or partnership (in this subparagraph and in subparagraph *b* of the second paragraph referred to as the “former employer”) made, as part of the winding-up or dissolution of the former employer or of a series of transactions or events including the winding-up or dissolution, in favour of another person or partnership (in that subparagraph *b* referred to as the “new employer”) that, immediately after the transfer, would be associated with the former employer according to the rules set out in the second paragraph of section 33.0.2, with the necessary modifications, if any relevant factor to consider for that purpose, with respect to the ownership of a share of the capital stock of

the particular corporation or of an interest in the particular partnership or with respect to the holding of a right relating to such a share or to such an interest, were established on the basis of the situation existing immediately before the beginning of the winding-up or dissolution or of the series of transactions or events and, where applicable, if the former employer existed immediately after the transfer; or

(c) a transfer of a business or part of a business from a corporation or a partnership (in subparagraph *c* of the second paragraph referred to as the “vendor”), other than a transfer of property to which subparagraph *b* applies, to another person or partnership (in that subparagraph *c* referred to as the “purchaser”).

The rules to which the first paragraph refers are as follows:

(a) in the case provided for in subparagraph *a* of that paragraph,

i. for the purpose of determining the amount described in subparagraph *a* of the first paragraph of section 34.1.12 in relation to the new employer and the former employer, wages paid or deemed to be paid to an eligible employee by the former employer for a period of the particular year that precedes the merger or the formation of the new employer are deemed to be wages paid or deemed to be paid for that period by the new employer to an eligible employee and not to be paid or deemed to be paid by the former employer,

ii. an eligible employee of the former employer qualifies as an eligible employee of the new employer if the employee holds, after the merger or formation, full-time recognized employment requiring at least 26 hours of work per week,

iii. where a former employer has a base year preceding the particular year, the new employer’s base year is deemed to be the year that precedes the particular year, and where no former employer has a base year preceding the particular year, for the purpose of determining the new employer’s base year, the new employer is deemed to have carried on a business during any month of the particular year during which a business was carried on by a former employer,

iv. for the purpose of determining the amount described in subparagraph *b* or *c* of the first paragraph of section 34.1.12 in relation to the new employer, where the new employer’s base year is deemed to be the year preceding the particular year, wages paid or deemed to be paid by a former employer that has a base year preceding the particular year to an employee in the part of the particular year that precedes the merger or formation and the proportion of wages paid or deemed to be paid by a former employer that does not have a base year preceding the particular year to an employee in the part of the particular year that precedes the merger or formation that the number of days in the particular year that precede the merger or formation is of the number of days in the particular year during which the former employer carried on a business, are deemed to be wages paid or deemed to be paid by the new employer to an employee in the particular year, and any of the following are deemed to be wages paid or deemed to be paid by the new employer to an employee in the new employer’s base year:

(1) wages paid or deemed to be paid by a former employer that has a base year preceding the particular year to an employee in the former employer’s base year,

(2) the proportion of wages paid or deemed to be paid by a former employer that does not have a base year preceding the particular year to an employee in the part of the particular year that precedes the merger or formation that the number of days in the particular year that precede the merger or formation is of the number of days in the particular year during which the former employer carried on a business, or

(3) wages paid or deemed to be paid by the new employer to an employee of a former employer that does not have a base year preceding the particular year, or to an employee substituted for such an employee, in the part of the particular year that begins at the time of the merger or formation, and

v. for the purpose of determining the amount described in subparagraph *b* or *c* of the first paragraph of section 34.1.12 in relation to the new employer, where the new employer’s base year is the particular year, the proportion of wages paid or deemed to be paid by a former employer to an employee in the part of the particular year that precedes the merger or formation that the number of days in the particular year that

precede the merger or formation is of the number of days in the particular year during which the former employer carried on a business is deemed to be wages paid or deemed to be paid by the new employer to an employee in the new employer's base year;

(b) in the case provided for in subparagraph *b* of that paragraph,

i. for the purpose of determining the amount described in subparagraph *a* of the first paragraph of section 34.1.12 in relation to the new employer and the former employer, wages paid or deemed to be paid to an eligible employee by the former employer for a period of the particular year that precedes the transfer are deemed to be wages paid or deemed to be paid for that period by the new employer to an eligible employee and not to be paid or deemed to be paid by the former employer,

ii. an eligible employee of the former employer qualifies as an eligible employee of the new employer if the employee holds, after the transfer, full-time recognized employment requiring at least 26 hours of work per week,

iii. for the purpose of determining the amount described in subparagraph *b* or *c* of the first paragraph of section 34.1.12 in relation to the new employer, where the new employer does not have a base year preceding the particular year and the former employer has a base year preceding the particular year,

(1) the new employer's base year is deemed to be the year that precedes the particular year,

(2) wages paid or deemed to be paid by the former employer to an employee in the former employer's base year are deemed to be wages paid or deemed to be paid by the new employer to an employee in the new employer's base year,

(3) wages paid or deemed to be paid by the former employer to an employee in the part of the particular year that precedes the transfer are deemed to be wages paid or deemed to be paid by the new employer to an employee in the particular year, and

(4) wages paid or deemed to be paid by the new employer in the particular year to an employee (other than an employee of the former employer or an employee substituted for such an employee) are deemed to be wages paid or deemed to be paid by the new employer to an employee in the new employer's base year in the proportion that 365 is of the number of days in the particular year during which the new employer carried on a business,

iv. for the purpose of determining the amount described in subparagraph *b* or *c* of the first paragraph of section 34.1.12 in relation to the new employer, where the new employer and the former employer have a base year preceding the particular year,

(1) wages paid or deemed to be paid to an employee by the former employer in the former employer's base year are deemed to be wages paid or deemed to be paid by the new employer to an employee in the new employer's base year, and

(2) wages paid or deemed to be paid by the former employer to an employee in the particular year are deemed to be wages paid or deemed to be paid by the new employer to an employee in the particular year,

v. for the purpose of determining the amount described in subparagraph *b* or *c* of the first paragraph of section 34.1.12 in relation to the new employer, where the new employer and the former employer do not have a base year preceding the particular year,

(1) for the purpose of determining the new employer's base year, the new employer is deemed to have carried on a business during any month of the particular year during which a business was carried on by the former employer, and

(2) wages paid or deemed to be paid to an employee by the former employer in the part of the particular year that precedes the transfer are deemed to be wages paid or deemed to be paid in the particular year by the

new employer to an employee of the new employer in the proportion that the number of days in the particular year that precede the transfer is of the number of days in the particular year during which the former employer carried on a business, and

vi. for the purpose of determining the amount described in subparagraph *b* or *c* of the first paragraph of section 34.1.12 in relation to the new employer, where the new employer has a base year preceding the particular year and the former employer does not have a base year preceding the particular year,

(1) wages paid or deemed to be paid to an employee by the former employer in the part of the particular year that precedes the transfer are deemed to be, in the proportion that the number of days in the particular year that precede the transfer is of the number of days in the particular year during which the former employer carried on a business, wages paid or deemed to be paid by the new employer to an employee in the new employer's base year and wages paid or deemed to be paid by the new employer to an employee in the particular year, and

(2) wages paid or deemed to be paid by the new employer in the part of the particular year that begins at the time of the transfer, to an employee of the former employer or to any employee substituted for such an employee, are deemed to be wages paid or deemed to be paid by the new employer to an employee in the new employer's base year; and

(c) in the case provided for in subparagraph *c* of that paragraph,

i. an eligible employee of the vendor qualifies as an eligible employee of the purchaser if the employee holds, after the transfer, full-time recognized employment requiring at least 26 hours of work per week,

ii. for the purpose of determining the amount described in subparagraph *b* or *c* of the first paragraph of section 34.1.12 in relation to the vendor, where the vendor's base year is the particular year, the aggregate of the wages paid or deemed to be paid by the vendor in the vendor's base year is deemed to be equal to the proportion of the aggregate of the wages paid or deemed to be paid by the vendor in the part of the particular year that begins at the time of the transfer that 365 is of the number of days in that part of the particular year,

iii. for the purpose of determining the amount described in subparagraph *b* or *c* of the first paragraph of section 34.1.12 in relation to the vendor, where the vendor has a base year preceding the particular year and has transferred all of its business to the purchaser, the aggregate of the wages paid or deemed to be paid by the vendor in the vendor's base year is deemed to be equal to the proportion of that aggregate otherwise determined that the number of days in the particular year that precede the transfer is of 365,

iv. for the purpose of determining the amount described in subparagraph *b* or *c* of the first paragraph of section 34.1.12 in relation to the vendor, where the vendor has a base year preceding the particular year and has transferred a part of its business to the purchaser,

(1) in relation to the particular year, the aggregate of the wages paid or deemed to be paid by the vendor in the vendor's base year is deemed to be equal to the amount determined by the formula

$A - (A \times B/365 \times C)$, and

(2) in relation to a year subsequent to the particular year, the aggregate of the wages paid or deemed to be paid by the vendor in the vendor's base year is deemed to be equal to the amount determined by the formula

$A - (A \times C)$,

v. for the purpose of determining the amount described in subparagraph *b* or *c* of the first paragraph of section 34.1.12 in relation to the purchaser, where the purchaser's base year is the particular year, the aggregate of the wages paid or deemed to be paid by the purchaser in the purchaser's base year is deemed to be equal to the total of the aggregate of the wages paid or deemed to be paid by the purchaser in the particular year to employees (other than former employees of the vendor or employees substituted for such employees) and the proportion of the aggregate of the wages paid or deemed to be paid by the purchaser to former

employees of the vendor or employees substituted for such employees that 365 is of the number of days in the part of the particular year that begins at the time of the transfer, and

vi. for the purpose of determining the amount described in subparagraph *b* or *c* of the first paragraph of section 34.1.12 in relation to the purchaser, where the purchaser's base year precedes the particular year and for the purpose of determining the amount of the overpayment that the purchaser is deemed to make in accordance with section 34.1.12,

(1) in relation to the particular year, the aggregate of the wages paid or deemed to be paid by the purchaser in the purchaser's base year is deemed to be equal to the total of that aggregate, determined without reference to this subparagraph vi, and the aggregate of the wages paid or deemed to be paid by the purchaser for the part of the particular year that begins at the time of the transfer and that is attributable to former employees of the vendor or employees substituted for such employees, and

(2) in relation to a year subsequent to the particular year, the aggregate of the wages paid or deemed to be paid by the purchaser in the purchaser's base year is deemed to be equal to the total of that aggregate, determined without reference to this subparagraph vi, and the proportion of the aggregate of the wages paid or deemed to be paid by the purchaser for the part of the particular year that begins at the time of the transfer and that is attributable to former employees of the vendor or employees substituted for such employees that 365 is of the number of days in the part of the particular year that begins at the time of the transfer.

In the formulas in subparagraphs 1 and 2 of subparagraph iv of subparagraph *c* of the second paragraph,

(a) *A* is the aggregate of the wages paid or deemed to be paid by the vendor in the vendor's base year, determined without reference to that subparagraph iv;

(b) *B* is the number of days in the period of the particular year that begins at the time of the transfer; and

(c) *C* is the part, expressed as a percentage, of the vendor's business that is the subject of the transfer.

2015, c. 24, s. 165.

34.1.16. The Minister of Revenue shall, with dispatch, examine the prescribed form containing prescribed information that is filed with the Minister of Revenue by an employer in accordance with the first paragraph of section 34.1.12, determine the amount of the deemed overpayment that the Minister of Revenue must refund to the employer and send a notice of determination to the employer.

Paragraph *f* of section 312 of the Taxation Act (chapter I-3), paragraph *e* of section 336 of that Act, the provisions of Book IX of Part I of that Act and Chapters III.1 and III.2 of the Tax Administration Act (chapter A-6.002), as they relate to an assessment or a reassessment and to a determination or redetermination of tax, apply, with the necessary modifications, to a determination or redetermination of the amount of the overpayment referred to in the first paragraph.

2015, c. 24, s. 165.

§ 3.3. — *Credit to avoid double taxation*

2017, c. 1, s. 435.

34.1.17. An employer that is the State or any of its mandataries is deemed to have made an overpayment for a particular year to the Minister of Revenue, for the purposes of this division, in respect of the wages that the employer pays in the particular year to an employee (in this section referred to as the “seconded employee”) who is deemed to report for work in the particular year at an establishment of the employer in Québec under section 4 of the Regulation respecting contributions to the Québec Health Insurance Plan (chapter R-5, r. 1), is deemed to pay to the employee or pays in respect of the employee.

The overpayment referred to in the first paragraph is equal to the lesser of

(a) the aggregate of all amounts each of which is the amount of a contribution similar to the contribution provided for in section 34 that the employer is required to pay in accordance with the legislation of a government, other than that of Québec, in respect of the wages that the employer pays in the particular year to the seconded employee, is deemed to pay to the employee or pays in respect of the employee; and

(b) the aggregate of all amounts each of which is the amount of the contribution that the employer is required to pay for the particular year under section 34 in respect of the wages that the employer pays in the particular year to the seconded employee, is deemed to pay to the employee or pays in respect of the employee.

2017, c. 1, s. 435.

34.1.18. An employer that is deemed to have made an overpayment for a particular year for the purposes of this division under the first paragraph of section 34.1.17 may obtain a reimbursement by filing a written application with the Minister of Revenue within four years after the end of the particular year. The application must be accompanied by documents and information allowing the Minister to determine the amount of the overpayment.

2017, c. 1, s. 435.

§ 3.4. — *Credit in respect of employees on paid leave*

2021, c. 14, s. 215.

34.1.18.1. A designated employer for a year who encloses the documents and information described in the second paragraph with the information return referred to in section 3 of the Regulation respecting contributions to the Québec Health Insurance Plan (chapter R-5, r. 1) that the employer is required to file for the year is, subject to the third paragraph, deemed, on the date on or before which the employer is required to file the information return for the year, to have made an overpayment to the Minister of Revenue, for the purposes of this division and in respect of the year, of an amount equal to the aggregate of all amounts each of which is the employer's specified expenditure in relation to an employee for the year.

The documents and information to which the first paragraph refers are, in addition to a copy of the documents filed in accordance with paragraph *a* of the definition of “qualifying entity” in subsection 1 of section 125.7 of the Income Tax Act (R.S.C. 1985, c. 1 (5th Suppl.)), those that allow the Minister of Revenue to establish the amount of the overpayment referred to in the first paragraph.

For the purpose of computing the payments that a designated employer referred to in the first paragraph is required to make after 30 April 2020, under subparagraph *a* of the first paragraph of section 34.0.0.0.1, the employer is deemed to have made an overpayment to the Minister of Revenue, for the purposes of this division and in respect of the year, on the date on or before which each payment is required to be made, equal to the amount by which the amount that would be determined under the first paragraph for the year if the year ended at that date exceeds the aggregate of all amounts each of which is the portion of that amount that may reasonably be considered to be deemed under this paragraph to be an overpayment made to the Minister of Revenue in the year but before that date.

The Minister of Revenue shall refund to the designated employer the amount by which the amount determined in respect of the employer under the first paragraph as an overpayment in respect of the year exceeds the aggregate of all amounts each of which is an amount deemed under the third paragraph to be an overpayment made to the Minister of Revenue during the year.

For the purposes of this subdivision,

(a) the expression “person” in the definition of “employer” in the first paragraph of section 33 is deemed to include a partnership; and

(b) wages paid or deemed to be paid by an employer as a member of a partnership are deemed to be paid by the partnership and not by the employer.

2021, c. 14, s. 215.

34.1.18.2. The Minister of Revenue shall, with dispatch, examine the documents and information described in the second paragraph of section 34.1.18.1 that are filed with the Minister of Revenue by an employer, determine the amount that the employer is deemed to have overpaid under the first paragraph of that section and send the employer a notice of determination.

Paragraph *f* of section 312 of the Taxation Act (chapter I-3), paragraph *e* of section 336 of that Act and the provisions of Book IX of Part I of that Act and of Chapters III.1 and III.2 of the Tax Administration Act (chapter A-6.002), as they relate to an assessment or a reassessment and to a determination or redetermination of tax, apply, with the necessary modifications, to a determination or redetermination of the amount of the overpayment referred to in the first paragraph of section 34.1.18.1.

2021, c. 14, s. 215.

§ 4. — *Miscellaneous provisions*

1993, c. 64, s. 222.

34.2. Where an amount, other than an amount relating to the contribution referred to in subdivision 3 or an amount relating to an overpayment referred to in subdivision 3.1, is refunded or applied to another liability, interest shall be paid on such amount at the rate provided for in the second paragraph of section 28 of the Tax Administration Act (chapter A-6.002) and for the period determined in accordance with section 30 of that Act.

1988, c. 4, s. 157; 1993, c. 64, s. 223; 2003, c. 9, s. 441; 2010, c. 31, s. 175.

35. The Government may make regulations to

(a) determine, for the purposes of section 34, the cases where an employee is deemed to report for work in an establishment of his employer in Québec;

(b) generally prescribe the measures for the carrying out of this division.

1978, c. 70, s. 10.

36. Every regulation made under this division shall come into force on the day of its publication in the *Gazette officielle du Québec* and, if it so provides, it may take effect from a date prior or subsequent to the date of its publication; in this latter case, however, the date shall not be prior to the effective date of the legislative provision under which the regulation was made.

1978, c. 70, s. 10.

37. This division constitutes a fiscal law within the meaning of the Tax Administration Act (chapter A-6.002).

1978, c. 70, s. 10; 2010, c. 31, s. 175.

DIVISION I.1

PRESCRIPTION DRUG INSURANCE

1996, c. 32, s. 106.

§ 1. — *Interpretation*

1996, c. 32, s. 106.

37.1. In this division and the regulations, unless the context indicates otherwise,

“average contribution rate” means, for the purposes of any of subparagraphs i and ii of subparagraphs *a* and *d* of the second paragraph of section 37.6, a rate equal to

(a) for a particular year other than the year 2021, the contribution rate applicable from 1 July of the particular year in respect of that subparagraph added to the contribution rate applicable from 1 July of the preceding year in respect of that subparagraph, divided by two and rounded to the nearest 1/100th of a percent or, if equidistant from two 1/100th of a percent, to the higher of the two; or

(b) for the year 2021, the contribution rate applicable from 1 July 2021 in respect of that subparagraph added to the contribution rate applicable from 1 January 2021 in respect of that subparagraph, divided by two and rounded to the nearest 1/100th of a percent or, if equidistant from two 1/100th of a percent, to the higher of the two;

“beneficiary” means an individual referred to in section 5 of the Act respecting prescription drug insurance (chapter A-29.01);

“contribution rate” means the percentage applicable from 1 July of a particular year, or from 1 January 2021 in the case of subparagraph i of paragraph *c*, in respect of each of subparagraphs i and ii of subparagraphs *a* and *d* of the second paragraph of section 37.6, which

(a) for the year 2007,

- i. in the case of subparagraph i of that subparagraph *a*, is equal to 2.9%,
- ii. in the case of subparagraph ii of that subparagraph *a*, is equal to 5.76%,
- iii. in the case of subparagraph i of that subparagraph *d*, is equal to 4.35%, and
- iv. in the case of subparagraph ii of that subparagraph *d*, is equal to 8.67%;

(b) for any year subsequent to the year 2007, other than the year 2021, is equal to the percentage applicable at 1 July of the year preceding that subsequent year or to such percentage as may be determined on 1 July of that subsequent year according to the rate of adjustment fixed annually by the Board pursuant to section 28.1 of the Act respecting prescription drug insurance, rounded to the nearest 1/100th of a percent or, if equidistant from two 1/100th of a percent, to the higher of the two; and

(c) for the year 2021, is equal to

- i. the percentage determined on 1 January 2021 according to the rate of adjustment fixed by the Board pursuant to section 28.1 of the Act respecting prescription drug insurance, rounded to the nearest 1/100th of a percent or, if equidistant from two 1/100th of a percent, to the higher of the two, and
- ii. the percentage determined on 1 July 2021 according to the rate of adjustment fixed by the Board pursuant to section 28.1 of the Act respecting prescription drug insurance, rounded to the nearest 1/100th of a percent or, if equidistant from two 1/100th of a percent, to the higher of the two;

“dependent child” of an individual for a year means

(a) a child in respect of whom the individual or the individual’s eligible spouse for the year has received, for the last month of the year or, if the individual died in the year and had no eligible spouse, for the month of

the individual's death, an amount deemed under section 1029.8.61.18 of the Taxation Act (chapter I-3) to be an overpayment of tax payable or would have received such an amount for that month had the child not died in the year;

(b) a child born or adopted in the last month of the year, if it may reasonably be considered that the individual or the individual's eligible spouse for the year will receive in respect of that child, for the first month following that year, an amount deemed under that section 1029.8.61.18 to be an overpayment of tax payable; or

(c) a child in respect of whom the individual or the individual's eligible spouse for the year has deducted an amount in computing tax payable for the year under section 776.41.14 of that Act, or could have deducted such an amount if the individual or the individual's eligible spouse had been resident in Québec, for the purposes of that Act, throughout the year or, if the individual or the individual's eligible spouse died in the year, throughout the period of the year preceding the time of death;

“due date” means, in respect of an individual for a year,

(a) where the individual died after 31 October in the year and before 1 May in the immediately following year, the day that is 6 months after the day of death, and

(b) in any other case, 30 April in the immediately following year;

“eligible spouse” of an individual for a year means the person who is the individual's eligible spouse for the year for the purposes of Title IX of Book V of Part I of the Taxation Act;

“family income” of an individual for a year means the amount by which the aggregate of the income of the individual for the year, determined under Part I of the Taxation Act, and the income, for the year, of the individual's eligible spouse for the year, determined under that Part I, exceeds the aggregate determined in accordance with section 37.4 in respect of the individual for the year;

“individual” means an individual within the meaning of Part I of the Taxation Act, other than a trust within the meaning of section 1 of that Act;

“Minister” means the Minister of Revenue;

“month” means a calendar month, that is the period from the first day of a month to the last day of that month;

“regulation” means a regulation made by the Government under this division;

“year” means the calendar year.

1996, c. 32, s. 106; 1997, c. 85, s. 376; 1999, c. 83, s. 286; 2002, c. 27, s. 34; 2003, c. 9, s. 442; 2005, c. 1, s. 331; 2009, c. 5, s. 588; 2017, c. 1, s. 436; 2021, c. 36, s. 183; 2022, c. 23, s. 174.

37.2. *(Repealed).*

1996, c. 32, s. 106; 2003, c. 9, s. 443.

37.2.1. *(Repealed).*

1997, c. 85, s. 377; 2003, c. 9, s. 443.

37.2.2. For the purposes of the definition of “family income” in section 37.1, where an individual was not, for the purposes of the Taxation Act (chapter I-3), resident in Canada throughout a year, the individual's income for the year is deemed to be equal to the income that would be determined in respect of the individual for the year under Part I of that Act if the individual had, for the purposes of that Act, been resident in Québec and in Canada throughout the year or, where the individual died in the year, throughout the period of the year preceding the time of death.

1997, c. 85, s. 377; 1999, c. 83, s. 287; 2003, c. 9, s. 444.

37.3. *(Repealed).*

1996, c. 32, s. 106; 1997, c. 85, s. 378.

37.4. The aggregate to which the definition of “family income” in section 37.1 refers in respect of an individual referred to in section 37.6 for a year is the aggregate of

- (a) an amount equal to
 - i. \$18,910 where, for the year, the individual has no eligible spouse and no dependent child,
 - ii. \$30,640 where, for the year, the individual has no eligible spouse but has one dependent child,
 - iii. \$34,545 where, for the year, the individual has no eligible spouse but has more than one dependent child,
 - iv. \$30,640 where, for the year, the individual has an eligible spouse but has no dependent child, and
 - v. where, for the year, the individual has an eligible spouse and at least one dependent child,
 - (1) \$34,545 where the individual has one dependent child for the year, or
 - (2) \$38,150 where the individual has more than one dependent child for the year; and
- (b) where the individual receives in the year an amount as a supplement under the Old Age Security Act (R.S.C. 1985, c. O-9) and if the individual so elects for the year, the portion relating to one or more preceding years of the amount described in the second paragraph that the individual includes in computing the family income for the year.

The amount to which subparagraph *b* of the first paragraph refers is an amount received in the year by the individual or the individual's eligible spouse as, or in lieu of, full or partial payment of a pension, supplement or allowance received under the Old Age Security Act.

1996, c. 32, s. 106; 1997, c. 85, s. 379; 1999, c. 83, s. 288; 2001, c. 51, s. 250; 2003, c. 9, s. 445; 2004, c. 21, s. 522; 2005, c. 23, s. 271; 2006, c. 13, s. 235; 2006, c. 36, s. 281; 2007, c. 12, s. 311; 2009, c. 5, s. 589; 2009, c. 15, s. 477; 2010, c. 5, s. 205; 2011, c. 1, s. 119; 2011, c. 34, s. 129; 2015, c. 21, s. 595; 2017, c. 1, s. 437; 2017, c. 29, s. 237; 2019, c. 14, s. 528; 2021, c. 14, s. 216; 2022, c. 23, s. 175; 2023, c. 19, s. 130; 2024, c. 11, s. 150.

37.5. *(Repealed).*

1996, c. 32, s. 106; 1997, c. 85, s. 380.

§ 2. — *Amount payable by an individual*

1996, c. 32, s. 106.

37.6. An individual must pay for a year, on the due date, an amount equal to the lesser of

- (a) the aggregate, for each month of the year during which the individual is a beneficiary other than a beneficiary referred to in section 37.7, of
 - i. for each of those months from January to June, 1/12 of \$710 or of such amount as may be determined on 1 July of the year preceding that year, for the purposes of section 23 of the Act respecting prescription drug insurance (chapter A-29.01), in accordance with the first paragraph of section 28.1 of that Act; and

ii. for each of those months from July to December, 1/12 of \$710 or of such amount as may be determined on 1 July of that year, for the purposes of section 23 of the Act respecting prescription drug insurance, in accordance with the first paragraph of section 28.1 of that Act; and

(b) the amount determined in respect of the individual for the year using the formula

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

For the purposes of the formula set out in subparagraph *b* of the first paragraph,

(a) *A* is

i. the average contribution rate applicable for the year in respect of this subparagraph, if the individual has an eligible spouse for the year; or

ii. the average contribution rate applicable for the year in respect of this subparagraph, in all other cases;

(b) *B* is the lesser of the family income of the individual for the year and \$5,000 or such other amount as may be prescribed for the year;

(c) *C* is the quotient obtained by dividing the number of months referred to in subparagraph *a* of the first paragraph by 12;

(d) *D* is

i. the average contribution rate applicable for the year in respect of this subparagraph, if the individual has an eligible spouse for the year; or

ii. the average contribution rate applicable for the year in respect of this subparagraph, in all other cases;

(e) *E* is the amount by which the family income of the individual for the year exceeds \$5,000 or such other amount as may be prescribed for the year.

1996, c. 32, s. 106; 1997, c. 85, s. 381; 2000, c. 23, s. 3; 2002, c. 27, s. 35; 2009, c. 5, s. 590; 2021, c. 36, s. 184; 2022, c. 23, s. 176.

37.7. A beneficiary referred to in subparagraph *a* of the first paragraph of section 37.6 is an individual who

(a) is a person benefitting from the coverage provided for by the basic prescription drug insurance plan established by the Act respecting prescription drug insurance (chapter A-29.01) under a group insurance contract, an employee benefit plan or an individual insurance contract referred to in section 42.2 of that Act applicable to a group of persons determined in accordance with section 15.1 of that Act;

(b) is a person referred to in any of sections 6, 24.1 and 25 of the Act respecting prescription drug insurance;

(c) is a child within the meaning of paragraph 1 of section 17 of the Act respecting prescription drug insurance;

(d) is a person suffering from a functional impairment within the meaning of paragraph 1 of section 17 of the Act respecting prescription drug insurance;

(e) is eligible under a financial assistance program provided for in any of Chapters I, II, V and VI of Title II of the Individual and Family Assistance Act (chapter A-13.1.1) and holds a valid claim booklet issued by the Minister of Employment and Social Solidarity pursuant to section 70 of the Health Insurance Act (chapter A-29);

(f) is 60 years of age or over and less than 65 years of age and holds a valid claim booklet issued by the Minister of Employment and Social Solidarity pursuant to section 71 of the Health Insurance Act;

(g) is a person belonging to a prescribed class.

1996, c. 32, s. 106; 1997, c. 63, s. 138; 1997, c. 85, s. 382; 1998, c. 36, s. 186; 2001, c. 44, s. 30; 2006, c. 36, s. 282; 2005, c. 15, s. 167; 2009, c. 5, s. 591; 2017, c. 1, s. 438; 2019, c. 14, s. 529; 2021, c. 14, s. 217; 2023, c. 19, s. 131.

37.8. An individual who has so elected, in prescribed form containing the prescribed information, shall pay for a year, on the due date, the amount that the individual's eligible spouse for the year would, were it not for this section, pay for the year under section 37.6.

Where an individual has made an election under the first paragraph, the individual's eligible spouse for the year is deemed to have no amount to pay for the year under section 37.6.

1996, c. 32, s. 106; 1997, c. 85, s. 383; 2010, c. 25, s. 242.

37.8.1. Where, because of subparagraph *b* of the first paragraph of section 37.4, an individual deducts a particular amount in computing the individual's family income for a year, the individual shall add to the amount otherwise payable by the individual under section 37.6 for the year the aggregate of all amounts each of which is the amount by which the amount that the individual would have had to pay under section 37.6 for a preceding year to which the particular amount relates, if the portion of the particular amount that relates to that preceding year had been included in computing the individual's family income for that preceding year, exceeds the amount described in the second paragraph.

The amount to which the first paragraph refers is the amount payable by the individual under section 37.6 for the preceding year referred to in that first paragraph.

2003, c. 9, s. 446.

§ 3. — *Miscellaneous provisions*

1996, c. 32, s. 106.

37.9. An individual shall send to the Minister for a year the prescribed form containing the prescribed information on or before the date on which the individual is required to file, under section 1000 of the Taxation Act (chapter I-3), a fiscal return for the year or on which the individual would be required to file such a return if tax were payable by the individual for that year under Part I of that Act, where

(a) the individual is required to pay, for the year, an amount under section 37.6 or 37.8;

(b) the individual sends to the Minister, for the year, the fiscal return referred to in section 1000 of the Taxation Act;

(c) the individual sends to the Minister, for the year, a return for the purposes of subdivision 3 of Division I;

(c.1) the individual files with the Minister, for the year, a return in respect of the individual's qualified wages, if the individual is for that year a person to whom section 51 of the Act respecting parental insurance (chapter A-29.011) applies, in respect of the individual's business income or in respect of the individual's eligible remuneration, for the purposes of Chapter IV of that Act;

(d) the individual files with the Minister, for the year, a return of the self-employed earnings of the individual or of the earnings of the individual as a family-type resource or an intermediate resource for the purposes of the Act respecting the Québec Pension Plan (chapter R-9); or

(e) the individual files with the Minister, for the year, an application under section 15 of the Act respecting property tax refund (chapter R-20.1).

1996, c. 32, s. 106; 1997, c. 85, s. 384; 2005, c. 38, s. 358; 2009, c. 24, s. 96; 2012, c. 8, s. 261.

37.10. Except where inconsistent with this division, sections 1004 to 1014, 1025 to 1026.0.1, 1026.2, 1026.3 and 1037 to 1053 of the Taxation Act (chapter I-3), adapted as required, apply to this division.

Notwithstanding the first paragraph, sections 1025 to 1026.0.1 of the Taxation Act do not apply to section 37.8.

1996, c. 32, s. 106; 1997, c. 85, s. 385; 2009, c. 5, s. 592.

37.11. An individual who is not required, under Part I of the Taxation Act (chapter I-3), to make partial payments of his tax payable under that Part for a year is not required to make partial payments of the amount payable by him for the year under section 37.6

1996, c. 32, s. 106.

37.12. The Minister may require a public body or a person belonging to one of the classes of persons he determines to send to him such information as he determines, except personal information of a medical nature, by way of electronic filing or of a computer-generated medium, subject to the terms and conditions he determines.

1996, c. 32, s. 106; 1997, c. 85, s. 386; 2006, c. 22, s. 177.

37.13. The Government may make regulations

(a) to determine an amount which may be prescribed for the purposes of any provision of this division;

(a.1) to determine a class of persons which may be prescribed for the purposes of paragraph g of section 37.7;

(b) to require any person included in one of the classes of persons it determines to file any return it may prescribe relating to any information necessary for the establishment of an assessment provided for in this division and to send, where applicable, a copy of such a return or of a part thereof to any person to whom the return or part thereof relates and to whom it indicates in the regulation;

(c) to generally prescribe the measures required for the application of this division.

1996, c. 32, s. 106; 1997, c. 85, s. 387.

37.14. The regulations made under this division come into force on the date of their publication in the *Gazette officielle du Québec* and, where they so provide, may take effect on any date subsequent or prior to such publication; in the latter case, however, the date shall not be prior to 1 January 1997.

1996, c. 32, s. 106.

37.15. This division is a fiscal law within the meaning of the Tax Administration Act (chapter A-6.002).

1996, c. 32, s. 106; 2010, c. 31, s. 175.

DIVISION I.2

HEALTH CONTRIBUTION

2010, c. 20, s. 32.

§ 1. — *Interpretation*

2010, c. 20, s. 32.

37.16. In this division, unless the context indicates otherwise,

“dependent child” of an individual for a year has the meaning assigned by section 37.1;

“due date”, when applicable to an individual for a year, means

(a) if the individual died after 31 October of the year and before 1 May of the following year, the day that is six months after the individual’s death; and

(b) in all other cases, 30 April of the following year;

“eligible preceding year” of an individual, in relation to a particular year, means a year throughout which the individual was resident in Canada and that precedes the particular year;

“eligible spouse” of an individual for a year has the meaning assigned by section 37.1;

“exempt individual” for a year means an individual who is exempted under any of subparagraphs *a* to *c* and *f* of the first paragraph of section 96 of the Tax Administration Act (chapter A-6.002) from the tax for the year under Part I of the Taxation Act (chapter I-3);

“income” of an individual for a particular year means, subject to section 37.16.1, the aggregate of all amounts each of which is the income of the individual for a taxation year ending in the particular year, determined under Part I of the Taxation Act;

“individual” means an individual within the meaning of Part I of the Taxation Act, other than a trust within the meaning of section 1 of that Act;

“taxation year” means a taxation year within the meaning of Part I of the Taxation Act;

“year” means the calendar year.

2010, c. 20, s. 32; 2015, c. 21, s. 596; 2015, c. 24, s. 166; 2015, c. 36, s. 197.

37.16.1. For the purposes of this division, the following rules apply:

(a) for the purposes of the first paragraph of section 37.17, if an individual becomes a bankrupt, within the meaning of the Bankruptcy and Insolvency Act (R.S.C. 1985, c. B-3), in a year, the individual’s income for the year is deemed to be equal to the individual’s income determined under Part I of the Taxation Act (chapter I-3) for the taxation year that, under section 779 of that Act, is deemed to begin on the date of the bankruptcy; and

(b) an individual’s income for a particular year is reduced, if the individual so elects, by the portion, relating to one or more eligible preceding years of the individual, in relation to the particular year, of the aggregate of all amounts each of which is an amount described in the second paragraph that would otherwise be included in the individual’s income for the particular year, where the portion is at least \$300.

The amount to which subparagraph *b* of the first paragraph refers is an amount received in the particular year as, or in lieu of, full or partial payment of

(a) income from an office or employment, under the terms of a court judgment, arbitration award or a contract by which the parties put an end to a lawsuit;

(a.1) an amount received in respect of the loss of all or part of an income from an office or employment, pursuant to an insurance plan, referred to in section 43 of the Taxation Act;

(b) a benefit under the Labour Adjustment Benefits Act (R.S.C. 1985, c. L-1), under the Employment Insurance Act (S.C. 1996, c. 23), under the Act respecting parental insurance (chapter A-29.011) or under the Act respecting the Québec Pension Plan (chapter R-9) or a similar plan within the meaning of that Act;

(c) an amount that is a support amount within the meaning of the first paragraph of section 312.3 of the Taxation Act or an amount referred to in the first paragraph of section 312.5 of that Act;

(c.1) an earnings loss benefit, a supplementary retirement benefit or a permanent impairment allowance payable under Part 2 of the Canadian Forces Members and Veterans Re-establishment and Compensation Act (S.C. 2005, c. 21); or

(d) any other amount, other than income from an office or employment, that would be, in the opinion of the Minister, an additional undue tax burden on the individual were the individual to include it in computing income for the particular year in which it is received by the individual.

2015, c. 21, s. 597; 2015, c. 24, s. 167; 2017, c. 1, s. 439.

§ 2. — Amount payable by an individual

2010, c. 20, s. 32.

37.17. Every individual described in section 37.18 in respect of a particular year is required to pay for the particular year, on the due date applicable to the individual for the particular year, a contribution that is, without exceeding the limit applicable for the particular year, equal to the aggregate of the amount—where an election is made under subparagraph *b* of the first paragraph of section 37.16.1—determined under the second paragraph and

(a) where the particular year is the year 2016,

i. *(subparagraph repealed)*;

ii. if the individual's income for the year does not exceed \$134,095, an amount equal to zero, or

iii. if the individual's income for the year is greater than \$134,095, an amount equal to the lesser of \$1,000 and 4% of the amount by which that income exceeds \$134,095;

(b) *(subparagraph repealed)*;

(c) *(subparagraph repealed)*;

The amount to which the first paragraph refers is equal to the aggregate of all amounts each of which is, for an eligible preceding year of the individual, in relation to the particular year, to which the amount deducted for the particular year in computing the individual's income under subparagraph *b* of the first paragraph of section 37.16.1 relates in whole or in part, either of the following amounts:

(a) where the eligible preceding year precedes 2013, zero; or

(b) where the eligible preceding year follows 2012, the aggregate of

i. the amount determined by the formula

A - B, and

ii. if the eligible preceding year is a year preceding the year immediately before the particular year, the amount of interest that would be computed, in respect of the eligible preceding year, in accordance with the

second paragraph of section 28 of the Tax Administration Act (chapter A-6.002) for the period beginning on 1 May of the year following the eligible preceding year and ending immediately before the beginning of the particular year, on the amount determined, in respect of the eligible preceding year, under subparagraph i, if that amount were a refund due by the Minister under a fiscal law.

In the formula in subparagraph i of subparagraph *b* of the second paragraph,

(a) *A* is the amount by which the amount of the contribution that the individual would have been required to pay under this division for the eligible preceding year if the portion, relating to that eligible preceding year, of the aggregate of the amounts deducted in computing the individual's income under subparagraph *b* of the first paragraph of section 37.16.1, for the particular year or for a preceding year, had been received immediately before the end of the eligible preceding year and included in computing the individual's income for the eligible preceding year, exceeds the amount of the contribution payable by the individual under this division for that eligible preceding year; and

(b) *B* is the aggregate of all amounts each of which is equal to the amount determined, in respect of the eligible preceding year, by the formula in subparagraph i of subparagraph *b* of the second paragraph for a year preceding the particular year.

For the purpose of determining the aggregate referred to in the portion of subparagraph *b* of the second paragraph before subparagraph i, in respect of the eligible preceding year, where an individual was resident in Canada outside Québec on the last day of the eligible preceding year, the individual is deemed to have been resident in Québec on the last day of that eligible preceding year.

For the purposes of the first paragraph, the limit applicable for a particular year means

(a) \$1,000, where the particular year is the year 2016;

(b) *(subparagraph repealed)*;

(c) *(subparagraph repealed)*.

2010, c. 20, s. 32; 2015, c. 21, s. 598; 2015, c. 24, s. 168; 2015, c. 36, s. 198; 2017, c. 1, s. 440; 2017, c. 29, s. 238.

37.17.1. *(Repealed)*.

2015, c. 21, s. 599; 2015, c. 36, s. 199; 2017, c. 1, s. 441.

37.17.2. *(Repealed)*.

2015, c. 21, s. 599; 2017, c. 1, s. 441.

37.18. The individual to whom section 37.17 refers in respect of a year is an individual who

(a) is resident in Québec at the end of the year;

(b) is 18 years of age or over at the end of the year; and

(c) is not an exempt individual for the year;

(c.1) *(paragraph repealed)*;

(d) *(paragraph repealed)*.

2010, c. 20, s. 32; 2010, c. 31, s. 175; 2011, c. 34, s. 130; 2015, c. 21, s. 600.

37.19. For the purposes of paragraphs *a* and *b* of section 37.18, if an individual dies or ceases to be resident in Canada in a year, the last day of the year is the day the individual died or the last day on which the individual was resident in Canada.

2010, c. 20, s. 32.

37.20. If, for the purposes of Part I of the Taxation Act (chapter I-3), an individual is deemed to have been resident in Québec throughout a year, the individual is deemed to have been resident in Québec throughout the year for the purposes of this division, unless the individual is deemed to be resident in Québec throughout the year under paragraph *a* of section 8 of that Act.

2010, c. 20, s. 32.

§ 3. — *Miscellaneous provisions*

2010, c. 20, s. 32.

37.21. Unless contrary to this division, sections 1000 to 1002, 1004 to 1017, 1017.2, 1019.6, 1019.7, 1025 to 1026.0.1, 1026.2, 1026.3 and 1037 to 1053 of the Taxation Act (chapter I-3) apply to this division, with the necessary modifications.

2010, c. 20, s. 32; 2015, c. 21, s. 601.

37.21.1. A person who in a year pays, allocates, grants or awards an amount described in the second paragraph of section 1015 of the Taxation Act (chapter I-3) (in this section referred to as “remuneration”) to an individual and who is required, because of section 37.21, to deduct or withhold an amount on account of the amount (in this section referred to as the “health contribution”) that the individual is required to pay for the year under section 37.17, shall not make any deduction or withholding in respect of the remuneration on account of the individual’s health contribution for the year if the individual furnishes the person with the return referred to in section 1015.3 of the Taxation Act and in which the individual specifies that, as the case may be,

(a) for the purposes of Part I of the Taxation Act, the individual will not be resident in Québec at the end of the year or will be deemed to be resident in Québec throughout the year because of paragraph *a* of section 8 of that Act;

(b) the individual will be an exempt individual for the year;

(c) the individual makes partial payments of the individual’s health contribution payable for the year because of section 37.21; or

(d) another person pays, allocates, grants or awards remuneration to the individual in the year that, because of section 37.21, is subject to a deduction or withholding on account of the individual’s health contribution for the year.

2015, c. 21, s. 602.

37.22. An individual who is not required, under Part I of the Taxation Act (chapter I-3), to make partial payments of the tax payable under that Part for a year, is not required to make such payments of the amount the individual must pay for the year under section 37.17.

2010, c. 20, s. 32.

37.23. This division is a fiscal law within the meaning of the Tax Administration Act (chapter A-6.002).

2010, c. 20, s. 32; 2010, c. 31, s. 175.

DIVISION II

HEALTH SERVICES FUND

1978, c. 70, s. 10; 2011, c. 18, s. 280.

38. A special fund designated under the name of “Health Services Fund” is established at the Ministère des Finances in order to provide for

(a) the payment of the sums required by the Board for the application of the Health Insurance Act (chapter A-29) and this Act, with the exception, in the latter case, of the sums recoverable under section 2.1;

(b) the financing of hospital services offered under the programs of the Ministère de la Santé et des Services sociaux.

1978, c. 70, s. 10; 1981, c. 12, s. 28; 1985, c. 23, s. 24; 1991, c. 42, s. 593.

39. The Minister of Revenue shall, at least once a month, transfer the contributions referred to in sections 34 and 34.1.1 to the Health Services Fund, out of the sums credited to the general fund.

The sums collected by the Board as monetary administrative penalties under sections 22.0.1, 22.2 and 38.3 of the Health Insurance Act (chapter A-29) are credited to the Health Services Fund.

The Ministère des Finances shall distribute the sums credited to the Health Services Fund equally between the Board and the Ministère de la Santé et des Services sociaux, except the sums referred to in the second paragraph, which are assigned in their entirety to the Board.

The Minister of Finance shall periodically add, to the sums thus assigned to the Board, out of the Consolidated Revenue Fund and according to the development of the needs of the Board as established within the scope of section 45 of the Public Administration Act (chapter A-6.01), sums for a total amount, for one financial year of the Régie, that must be equal to the difference between the amount of such needs and the amount of the sums assigned to it pursuant to the third paragraph during the same financial year.

1978, c. 70, s. 10; 1981, c. 12, s. 29; 1985, c. 23, s. 24; 1993, c. 64, s. 224; 1999, c. 89, s. 52; 2000, c. 8, s. 182; 2011, c. 18, s. 281; 2016, c. 28, s. 73.

40. The Minister of Finance shall dispose of the Health Services Fund in accordance with the needs of the Board and of the Ministère de la Santé et des Services sociaux.

1978, c. 70, s. 10; 1981, c. 12, s. 30; 1985, c. 23, s. 24; 2011, c. 18, s. 282.

DIVISION II.1

PRESCRIPTION DRUG INSURANCE FUND

1996, c. 32, s. 107.

40.1. A fund to be known as the Prescription Drug Insurance Fund is hereby established in which the following sums shall be deposited:

(a) the sums remitted by the Minister of Revenue under sections 37.6 and 37.8;

(b) the sums recovered by the Board with respect to pharmaceutical services and medications furnished to a person referred to in paragraph 4 of section 15 of the Act respecting prescription drug insurance (chapter A-29.01);

(c) the sums paid by the Minister of Finance under section 40.5;

(d) the sums attributed to the Minister of Health and Social Services having regard to the additional cost of medications that are not subject to the lowest price method prescribed by the list of medications drawn up under section 60 of the Act respecting prescription drug insurance;

(d.1) the sums received under financial risk-sharing agreements and agreements providing for compensatory measures made under the second paragraph of section 52.1 of the Act respecting prescription drug insurance;

(d.2) the sums received pursuant to listing agreements made under section 60.0.1 of the Act respecting prescription drug insurance;

(d.3) the sums collected by the Board as monetary administrative penalties under the Act respecting prescription drug insurance;

(e) the interest deriving from the sums referred to in paragraphs *a* to *d.3*.

1996, c. 32, s. 107; 2000, c. 23, s. 4; 2005, c. 40, s. 40; 2015, c. 8, s. 196; 2016, c. 28, s. 74; 2017, c. 26, s. 11.

40.1.1. In addition to the sums paid pursuant to section 40.1, the Minister of Finance shall pay into the Prescription Drug Insurance Fund, out of the Consolidated Revenue Fund and according to the development of needs as established within the scope of section 40.4, sums for a total amount which, combined with the sums paid pursuant to section 40.1, must be sufficient to meet the obligations referred to in section 40.2.

However, the sums added by the Minister of Finance under the first paragraph shall not exceed the sums and administration costs necessary to pay for the pharmaceutical services and the medications provided to a person referred to in paragraph 1, 2 or 3 of section 15 of the Act respecting prescription drug insurance (chapter A-29.01).

2002, c. 27, s. 36.

40.2. The following sums shall be taken out of the Fund:

(a) the sums required to pay the cost of the pharmaceutical services and medications furnished to a person referred to in section 15 of the Act respecting prescription drug insurance (chapter A-29.01);

(b) the amount payable to the Minister of Revenue and to the Board for the administration expenses shown in the budgetary estimates approved in accordance with section 45.5 of the Financial Administration Act (chapter A-6.001);

(c) interest charges and the reimbursement of advances and loans paid under section 40.5.

1996, c. 32, s. 107; 2002, c. 27, s. 37; 2020, c. 5, s. 139.

40.3. The aggregate of the sums paid into the Fund in accordance with sections 40.1 and 40.1.1 must, in the long term, cover the payment of the expenses listed in section 40.2.

1996, c. 32, s. 107; 2002, c. 27, s. 38.

40.4. The Prescription Drug Insurance Fund is considered to be a body other than a budget-funded body for the purposes of Chapter IV.1 of the Financial Administration Act (chapter A-6.001) and paragraphs 3.0.1 and 3.1 of section 77 of the Public Administration Act (chapter A-6.01); the Board shall assume, on behalf of the Fund, the obligations imposed under those provisions on bodies other than budget-funded bodies.

The Fund's annual budget that the board of directors of the Board is required to adopt under section 45.3 of the Financial Administration Act must, in particular, include the amounts mentioned in sections 40.1, 40.1.1 and 40.2 of this Act.

1996, c. 32, s. 107; 2002, c. 27, s. 39; 2020, c. 5, s. 140.

40.5. The Minister of Finance may, with the authorization of the Government and subject to the conditions it determines, advance to the Fund sums taken out of the Consolidated Revenue Fund.

In addition to the borrowing powers provided for in this Act, the Board may, in its capacity as manager of the Fund, borrow sums taken from the Financing Fund of the Ministère des Finances from the Minister of Finance.

1996, c. 32, s. 107.

40.6. The management of the sums constituting the Fund shall be entrusted to the Board.

1996, c. 32, s. 107.

40.7. The fiscal year of the Fund ends on 31 March.

1996, c. 32, s. 107.

40.8. The sums referred to in sections 40.1 and 40.1.1 shall be deposited as and when they are collected with one or more banks within the meaning of the Bank Act (Revised Statutes of Canada, 1985, chapter B-1) or the Québec Savings Banks Act (Revised Statutes of Canada, 1970, chapter B-4), or with a financial services cooperative governed by the Act respecting financial services cooperatives (chapter C-67.3).

1996, c. 32, s. 107; 2000, c. 29, s. 667; 2002, c. 27, s. 40.

40.9. The Board must, not later than 31 July each year, present a financial report on the operations of the Fund for the preceding fiscal year to the Minister of Health and Social Services. The report must contain information on the number of agreements made under the second paragraph of section 52.1 of the Act respecting prescription drug insurance (chapter A-29.01), the number of products and enterprises concerned, and the sums paid under those agreements. The report must also contain information on listing agreements made under section 60.0.3 of that Act. The report shall be tabled in the National Assembly within 30 days or, if the Assembly is not sitting, within 30 days of resumption.

1996, c. 32, s. 107; 2005, c. 40, s. 41; 2015, c. 8, s. 197.

DIVISION III

WORKING FUND

1978, c. 70, s. 10.

41. The Minister of Finance may, with the authorization of the Government and on the conditions determined by the latter, advance to the Board out of the Consolidated Revenue Fund any amount considered necessary for the maintenance of a working fund for the application of this Act and the Health Insurance Act (chapter A-29).

1978, c. 70, s. 10.

DIVISION IV

FINAL PROVISIONS

1978, c. 70, s. 10.

42. The Minister of Health and Social Services is entrusted with the application of this Act, except Divisions I to I.2 of Chapter IV, the application of which is entrusted to the Minister of Revenue, and Divisions II and III of that Chapter, the application of which is entrusted to the Minister of Finance.

1978, c. 70, s. 10; 1985, c. 23, s. 24; 1996, c. 32, s. 108; 2010, c. 20, s. 33.



The Minister of Finance exercises the functions of the Minister of Revenue provided for in this Act. Order in Council 1689-2022 dated 26 October 2022, (2022) 154 G.O. 2 (French), 6581.

43. *(This section ceased to have effect on 17 April 1987).*

1982, c. 21, s. 1; U. K., 1982, c. 11, Sch. B, Part I, s. 33.

REPEAL SCHEDULE

In accordance with section 17 of the Act respecting the consolidation of the statutes (chapter R-3), chapter 53 of the statutes of 1969, in force on 31 December 1977, is repealed, except sections 24 (*part*), 25 and 27, effective from the coming into force of chapter R-5 of the Revised Statutes.

