

Income Tax Act

'Computation of tax deemed payable under amended Act

(3) In computing, under any provision of sections 39 to 48, any tax that is payable in addition to or in lieu of any amount of tax payable under Part I of the amended Act by an individual for a taxation year,

(a) a reference to section 120 of the amended Act does not include a reference to paragraph 33(1)(a) of the former Act, and

(b) for the purposes of paragraph 33(1)(a) of the former Act and subsection 120(1) of the amended Act, all of the income of the individual for that or any previous taxation year shall be deemed to have been income earned in the year in a province.'

Clause 50 (page 679 and 680)

That clause 50 of the said Bill be amended

(a) by striking out line 40 on page 679 and substituting the following:

'Status of certain corporations Act, a' **50. (1)** For the purposes of the amended Act, a'

(b) by adding, immediately after line 5 on page 680, the following subclauses:

'Election to be public corporation

(2) For the purposes of paragraph 89(1)(g) of the amended Act, where at any particular time before August, 1972 a corporation has elected in the manner referred to in clause (ii)(A) thereof to be a public corporation, and at the time of the election the corporation complied with the conditions referred to in that clause, the corporation shall,

(a) at such time after 1971 and before the particular time as is specified in the election to be the effective date thereof, or

(b) where no time described in paragraph (a) is specified in the election to be the effective date thereof, at the particular time,

be deemed to have elected in the manner referred to in that clause to be a public corporation and to have complied with the conditions referred to therein.

Designation by Minister

(3) For the purposes of paragraph 89(1)(g) of the amended Act, where at any particular time before the 90th day after the day this Act is assented to the Minister has, by notice in writing to a corporation, designated the corporation to be a public corporation or not to be a public corporation, as the case may be, and at the time of the designation the corporation complied with the conditions referred to in clause (ii)(A) thereof or (iii)(A) thereof, as the case may be, the corporation shall, at such time as is specified by the Minister in the notice, be deemed

(a) to have been designated by the Minister, by notice in writing to the corporation, to be

a public corporation or not to be a public corporation, as the case may be, and

(b) to have complied with the conditions referred to in clause (ii)(A) thereof or (iii)(A) thereof, as the case may be.'

Clause 51 (pages 680 and 681)

That clause 51 of the said Bill be amended

(a) by striking out lines 14 and 15 on page 680 and substituting the following:

'(a) determine the tax under Part I of the amended Act that, but for this subsection, would be payable by it'

(b) by striking out lines 27 to 35 on page 680 and substituting the following:

'(b) determine the tax under Part I of the amended Act that, but for this subsection, would be payable by it for its 1972 taxation year on the assumption that

(i) its amount taxable for the year were an amount equal to the amount, if any, by which its amount taxable for the year, determined without regard to the provisions of this subsection, exceeds its net capital gains for the year, and'

(c) by striking out lines 6 and 7 on page 681 and substituting the following:

'(d) determine the aggregate of the taxes that, but for this subsection, would be payable by the corporation'

New Clause 57.1 (page 689)

That the said Bill be amended by adding, immediately after clause 57 on page 689, the following clause:

'Cooperative corporations

57.1 (1) Notwithstanding any other provision of this Act, the tax under Part I of the amended Act payable by a cooperative corporation (within the meaning assigned by section 136 of the amended Act) for a taxation year ending after 1971 and before 1981 is the aggregate of

(a) the tax under that Part that, but for this subsection, would be payable by the corporation for the year if

(i) subsection 75(3) and paragraph 75(4)(b) of the former Act were applicable and subsection 135(3) and paragraph 135(4)(f) of the amended Act were not applicable, and

(ii) the references in subsection 75(3) and paragraph 75(4)(b) of the former Act to section 27 of that Act and to paragraph 62(1)(k) of that Act were references to section 111 and to paragraph 137(6)(b) respectively, of the amended Act, and