

APPENDIX

(See p. 2049)

INCOME TAX ACT AND RELATED ACTS

BILL TO AMEND

TWELFTH REPORT OF BANKING, TRADE AND COMMERCE COMMITTEE

THURSDAY, June 14, 1990

The Standing Senate Committee on Banking, Trade and Commerce has the honour to present its

TWELFTH REPORT

Your Committee, to which was referred its report dated May 16, 1990 on Bill C-28, An Act to amend the Income Tax Act, the Federal-Provincial Arrangements and Federal Post-Secondary Education and Health Contributions Act, the Old Age Security Act, the Public Utilities Income Tax Transfer Act, the War Veterans Allowance Act and a related Act, has, in obedience to the Order of Reference of Tuesday, June 5, 1990, examined the said report and has agreed to modify it as follows:

1. Page 28, clause 24: Strike out lines 25 to 32 and substitute the following:

"(1) Section 117.1 of the said Act is amended by adding thereto immediately after subsection (1) thereof the following:

"Annual Adjustment

(1.1) The amount referred to in subparagraphs 180.2(1)(b)(ii) and 180.2(2)(b)(ii) shall be adjusted for each taxation year so that the amount to be used for the year is an amount equal to the aggregate of

(a) the amount that would, but for subsection (6), be the amount to be used for the immediately preceding taxation year, and

(b) the product obtained by multiplying

(i) the amount referred to in paragraph (a)