



HOUSE USE ONLY

CHAIR:

WITH / WITHOUT

2nd SESSION, 66th GENERAL ASSEMBLY
Province of Prince Edward Island
70 ELIZABETH II, 2021

(Bill No. 38)

**An Act to Amend the Community Development Equity
Tax Credit Act**

Hon. Darlene Compton
Minister of Finance

GOVERNMENT BILL

Andrea MacRae
Acting Queen's Printer
Charlottetown, Prince Edward Island



AN ACT TO AMEND THE COMMUNITY DEVELOPMENT EQUITY TAX CREDIT ACT

BILL NO. 38

2021

BE IT ENACTED by the Lieutenant Governor and the Legislative Assembly of the Province of Prince Edward Island as follows:

- 1. Subsection 1(1) of the *Community Development Equity Tax Credit Act R.S.P.E.I. 1988, Cap. C-13.01*, is amended**
 - (a) in subclauses (g)(i) and (ii), by the deletion of the words “the twenty-eighth day of February, 2021,” and the substitution of the words “February 28, 2027,”; and**
 - (b) in clause (j), by the deletion of the words “the twenty-eighth day of February, 2021,” and the substitution of the words “February 28, 2027,”.**
- 2. Clause 4(1)(a) of the Act is amended by the deletion of the words “the twenty-eighth day of February, 2021,” and the substitution of the words “February 28, 2027,”.**
- 3. Subsection 5(2) of the Act is amended**
 - (a) in clause (c), by the deletion of the words “one hundred full-time employees” and the substitution of the words “500 full-time employees, calculated in accordance with the regulations”;**
 - (b) in clause (d), by the deletion of the words “twenty-five million dollars” and the substitution of the words “\$65,000,000”; and**
 - (c) by the repeal of clause (e).**
- 4. (1) Subsection 6(1) of the Act is amended by the deletion of the words “no later than 2021” and the substitution of the words “no later than 2027”.**
 - (2) Subsection 6(3) of the Act is amended by the addition of the following after clause (d):**
 - (d.1) the aggregate of entitlements in respect of the eligible investor for all tax-credit certificates applied for beginning January 1, 2022, does not exceed \$56,000;**

- 5. This Act comes into force on a date that may be fixed by proclamation of the Lieutenant Governor in Council.**



EXPLANATORY NOTES

SECTION 1 amends subclauses 1(1)(g)(i) and (ii) and clause 1(1)(j) of the Act to extend the date applicable to eligible investments under the Act to February 28, 2027.

SECTION 2 amends clause 4(1)(a) of the Act to extend the end date applicable to the revocation of certificates of registration to February 28, 2027.

SECTION 3 amends subsection 5(2) of the Act to change the eligibility criteria set out in that subsection. The number of employees of the taxable corporation or association is raised to “fewer than the equivalent of 500 full-time employees”, and its maximum assets are raised to \$65,000,000. Clause 5(2)(e), which placed limits on revenues, is repealed.

SECTION 4 amends subsection 6(1) of the Act to extend the end date for the issuance of a tax-credit certificate to a qualifying community economic-development business to no later than 2027. The section also adds a new clause 6(3)(d.1) that provides that the aggregate of entitlements of an eligible investor for all tax-credit certificates applied for beginning January 1, 2022, shall not exceed \$56,000.

SECTION 5 provides for the commencement of the Act.

(Bill No. 38)

**An Act to Amend the Community Development
Equity Tax Credit Act**

<i>STAGE:</i>	<i>DATE:</i>
<i>1st Reading:</i>	October 26, 2021
<i>2nd Reading:</i>	
<i>To Committee:</i>	
<i>Reported:</i>	
<i>3rd Reading and Pass:</i>	
<i>Assent:</i>	

SIGNATURES:

Honourable Antoinette Perry, Lieutenant Governor

Honourable Colin LaVie, Speaker

Joseph Jeffrey, Clerk

Hon. Darlene Compton
Minister of Finance

GOVERNMENT BILL

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