



---

2nd SESSION, 65th GENERAL ASSEMBLY  
Province of Prince Edward Island  
65 ELIZABETH II, 2016

---

**CHAPTER 11**

(Bill No. 32)

**An Act to Amend the Income Tax Act**

---

Honourable Allen F. Roach  
Minister of Finance

---

GOVERNMENT BILL

---

MICHAEL D. FAGAN  
Queen's Printer  
Charlottetown, Prince Edward Island



## CHAPTER 11

### An Act to Amend the Income Tax Act

(Assented to May 13, 2016)

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

**1. Clauses 9(1)(a), (b) and (c) of the *Income Tax R.S.P.E.I. 1988, Cap. I-1, are repealed and the following substituted:***

- (a) in the case of an individual who at any time in the year is a married person or a person who is in a common-law partnership who supports the individual's spouse or common-law partner and is not living separate and apart from the spouse or common-law partner by reason of a breakdown of their marriage or common-law partnership, an amount equal to the total of
- (i) \$8,000, and
  - (ii) the amount determined by the formula

$$\$6,795 - (C - \$679)$$

where

C is the greater of \$679 and the income of the individual's spouse or common-law partner for the year or, where the individual and the individual's spouse or common-law partner are living separate and apart at the end of the year because of a breakdown of their marriage or common-law partnership, the spouse's or common-law partner's income for the year while married or in a common-law partnership and not so separated;

- (b) in the case of an individual who does not claim a deduction for the year because of clause (a) and who, at any time in the year,
- (i) is
    - (A) a person who is unmarried and who does not live in a common-law partnership, or
    - (B) a person who is married or in a common-law partnership, who neither supported nor lived with the person's spouse or common-law partner and who is not supported by that spouse or common-law partner, and
  - (ii) whether alone or jointly with one or more other persons, maintains a self-contained domestic establishment (in which the individual lives) and actually supports in that establishment a person who, at that time, is
    - (A) except in the case of a child of the individual, resident in Canada,

(B) wholly dependent for support on the individual, or the individual and the other person or persons, as the case may be,  
 (C) related to the individual, and  
 (D) except in the case of a parent or grandparent of the individual, either under eighteen years of age or so dependent by reason of mental or physical infirmity,  
 an amount equal to the total of  
 (iii) \$8,000, and  
 (iv) the amount determined by the formula

$$\$6,795 - (D - \$679)$$

where

D is the greater of \$679 and the dependent person's income for the year;  
 (c) except in the case of an individual entitled to a deduction because of clause (a) or (b), \$8,000;

**2. Subsection 32(2) of the Act is amended**

**(a) in clause (a), by the deletion of the words “\$300” and the substitution of the words “\$350”;**

**(b) in clause (b), by the deletion of the words “\$300” and the substitution of the words “\$350”;**

**(c) in clause (c), by the deletion of the words “\$300” and the substitution of the words “\$350”; and**

**(d) in clause (d), by the deletion of the words “\$250” and the substitution of the words “\$300”.**

**3. (1) Subsection 36.3(4) of the Act is repealed and the following substituted:**

Calculation of amount

(4) The amount described in subsection (3) is the amount A calculated in accordance with the following formula:

$$A = \frac{1}{4} \times (110 + B + C - D)$$

where:

B is the amount B determined in accordance with subsection (5);

C is the amount C determined in accordance with subsection (6); and

D is the amount D determined in accordance with subsection (7).

**(2) Subsection 36.3(5) of the Act is amended**

**(a) in clause (a), by the deletion of the words “\$50” and the substitution of the words “\$55”; and**

**(b) in clause (b), by the deletion of the words “\$50” and the substitution of the words “\$55”.**

**(3) Subsection 36.3(6) of the Act is amended by the deletion of the words “\$50” and the substitution of the words “\$55”.**

**4. (1) Sections 1 and 2 of this Act are deemed to have come into force on January 1, 2016.**

**(2) Section 3 of this Act comes into force on July 1, 2016.**

---

---

**CHAPTER 11**

**(Bill No. 32)**

**An Act to Amend the Income Tax Act**

<i>STAGE:</i>	<i>DATE:</i>
<i>1st Reading:</i>	May 6, 2016
<i>2nd Reading:</i>	May 10, 2016
<i>To Committee:</i>	May 10, 2016
<i>Reported:</i>	May 10, 2016
<i>3rd Reading and Pass:</i>	May 13, 2016
<i>Assent:</i>	May 13, 2016

SIGNATURES:

\_\_\_\_\_  
Honourable H. Frank Lewis, Lieutenant Governor

\_\_\_\_\_  
Honourable Francis (Buck) Watts, Speaker

\_\_\_\_\_  
Clerk

---

Honourable Allen F. Roach  
Minister of Finance

---

GOVERNMENT BILL

---

---