

EXPLANATORY NOTES
BILL
No. 49
An Act to amend *The Income Tax Act, 2000*

**Clause
of Bill**

1 This Act may be cited as *The Income Tax Amendment Act, 2026*.

2 *The Income Tax Act, 2000* is amended in the manner set forth in this Act.

3(1-2) **Existing Provision** section 11

Basic Personal Amount

11(3) For the purpose of computing the tax payable pursuant to this Act for the taxation years 2025 through 2028 by an individual, there may be deducted a basic personal credit in the amount A determined in accordance with the following formula:

[...]

(b) for the 2026 taxation year:

$$A = AP \times (TCA + \$500)$$

where:

AP is the appropriate percentage for the taxation year; and

TCA is TCA as set out in clause (a) and adjusted in accordance with subsection 51(3);

(c) for the 2027 taxation year:

$$A = AP \times (TCA + \$500)$$

where:

AP is the appropriate percentage for the taxation year; and

TCA is TCA as determined in accordance with clause (b) and adjusted in accordance with subsection 51(3);

(d) for the 2028 taxation year:

$$A = AP \times (TCA + \$500)$$

where:

AP is the appropriate percentage for the taxation year; and

TCA is TCA as determined in accordance with clause (c) and adjusted in accordance with subsection 51(3)

11(4) For the purpose of computing the tax payable pursuant to this Act for the 2029 and subsequent taxation years by an individual, there may be deducted a basic personal credit in the amount A determined in accordance with the following formula:

$$A = AP \times TCA$$

where:

AP is the appropriate percentage for the taxation year; and

TCA is TCA for the preceding taxation year and adjusted in accordance with subsection 51(3).

Explanation

The Basic Personal Amount Tax Credit is a standard tax credit that can be claimed by all individuals. The purpose of this tax credit is to provide a full reduction from provincial income tax to all individuals with taxable income below the Basic Personal Amount. It also provides a partial reduction to taxpayers with taxable income above the Basic Personal Amount. The final Basic Personal amount for the 2026 taxation year is added and the formula is removed.

The technical amendments made to 2027 and 2028 taxation years update the formulas for calculating the tax credit to ensure that the prior year's tax credit amount, after adjusting for the prior year's indexation, is incorporated into the calculation of the tax credit amount in the current year, plus the new \$500 enhancement.

These updates do not affect the value of the tax credits, maintain the status quo and clarify how the amounts are indexed to support consistent and effective administration by the Canada Revenue Agency (CRA).

3(3) **Existing Provision** section 11

None

Explanation

The basic personal amount updates to 2029 and beyond are to ensure that the tax credit calculation continues to properly account for indexation for future years.

4(1-2) **Existing Provision** section 12

Spousal credit

12(3) For the purpose of computing the tax payable pursuant to this Act for the 2025 through 2028 taxation years by an individual described in paragraph (a) of the description of B in subsection 118(1) of the federal Act, there may be deducted a spousal credit in an amount B determined in accordance with the following formula:

[...]

(b) for the 2026 taxation year:

$$B = AP \times TCA$$

where:

AP is the appropriate percentage for the taxation year; and

$$TCA = [SIT + \$500] - \{SI - 0.1 \times [SIT + \$500]\}$$

where:

SIT is the amount of the variable TCA as calculated in accordance with clause (a) and adjusted in accordance with subsection 51(3); and

SI is the greater of:

(i) $0.1 \times (SIT + \$500)$; and

(ii) either:

(A) the income for the year of the individual's spouse or common-law partner; or

(B) where the individual and the individual's spouse or common-law partner are living separate and apart at the end of the taxation year because of a breakdown of the marriage or common-law partnership, the income for the year of the spouse or common-law partner while married or in the common-law partnership and not so separated;

(c) for the 2027 taxation year:

$$B = AP \times TCA$$

where:

AP is the appropriate percentage for the taxation year; and

$$TCA = [SIT + \$500] - \{SI - 0.1 \times [SIT + \$500]\}$$

where:

SIT is the amount of the variable TCA calculated in accordance with clause (b) and adjusted in accordance with subsection 51(3); and

SI is the greater of:

(i) $0.1 \times (SIT + \$500)$; and

(ii) either:

(A) the income for the year of the individual's spouse or common-law partner; or

(B) where the individual and the individual's spouse or common-law partner are living separate and apart at the end of the taxation year because of a breakdown of the marriage or common-law partnership, the income for the year of the spouse or common-law partner while married or in the common-law partnership and not so separated;

(d) for the 2028 taxation year:

$$B = AP \times TCA$$

where:

AP is the appropriate percentage for the taxation year; and

$$TCA = [SIT + \$500] - \{SI - 0.1 \times [SIT + \$500]\}$$

where:

SIT is the amount of the variable TCA calculated in accordance with clause (c) and adjusted in accordance with subsection 51(3); and

SI is the greater of:

(i) $0.1 \times (\text{SIT} + \$500)$; and

(ii) either:

(A) the income for the year of the individual's spouse or common-law partner; or

(B) where the individual and the individual's spouse or common-law partner are living separate and apart at the end of the taxation year because of a breakdown of the marriage or common-law partnership, the income for the year of the spouse or common-law partner while married or in the common-law partnership and not so separated.

12(4) For the purpose of computing the tax payable pursuant to this Act for the 2029 and subsequent taxation years by an individual described in paragraph (a) of the description of B in subsection 118(1) of the federal Act, there may be deducted a spousal credit in an amount B determined in accordance with the following formula:

$$B = AP \times TCA$$

where:

AP is the appropriate percentage for the taxation year; and

$$TCA = \text{SIT} - [\text{SI} - (0.1 \times \text{SIT})]$$

where:

SIT is the amount of the variable TCA calculated for the preceding taxation year and adjusted in accordance with subsection 51(3); and

SI is the greater of:

(a) $0.1 \times \text{SIT}$; and

(b) either:

(i) the income for the year of the individual's spouse or common-law partner; or

(ii) where the individual and the individual's spouse or common-law partner are living separate and apart at the end of the taxation year because of a breakdown of the marriage or common-law partnership, the income for the year of the spouse or common-law partner while married or in the common-law partnership and not so separated.

Explanation

The Spousal Tax Credit is a non-refundable tax credit that provides financial relief to individuals who are supporting a spouse or common-law partner with little to no income.

The final Spousal credit for the 2026 taxation year is added and the formula is removed.

The technical amendments for 2027 and 2028 taxation years update the formulas for calculating the tax credit to ensure that the prior year's tax credit amount, after adjusting for the prior year's

indexation, is incorporated into the calculation of the tax credit amount in the current year, plus the new \$500 enhancement.

These updates do not affect the value of the tax credits, maintain the status quo and clarify how the amounts are indexed to support consistent and effective administration by the CRA.

4(3) **Existing Provision** section 12

None

Explanation

The spousal credit updates to 2029 and beyond are to ensure that the tax credit calculation continues to properly account for indexation for future years.

5(1-2) **Existing Provision** section 13

Equivalent-to-spouse credit

13(3) For the purpose of computing the tax payable pursuant to this Act for the taxation years 2025 through 2028 by an individual described in paragraph (b) of the description of B in subsection 118(1) of the federal Act who does not claim a spousal credit pursuant to section 12 of this Act for the taxation year, there may be deducted an equivalent-to-spouse credit in an amount C determined in accordance with the following formula:

[...]

(b) for the 2026 taxation year:

$$C = AP \times TCA$$

where:

AP is the appropriate percentage for the taxation year; and

$$TCA = [SIT + \$500] - \{EI - 0.1 \times [SIT + \$500]\}$$

where:

SIT is the amount of the variable TCA calculated in accordance with clause (a) and adjusted in accordance with subsection 51(3); and

EI is the greater of:

(i) $0.1 \times (SIT + \$500)$; and

(ii) the income for the year of the person with respect to whom the equivalent-to-spouse credit is being claimed;

(c) for the 2027 taxation year:

$$C = AP \times TCA$$

where:

AP is the appropriate percentage for the taxation year; and

$$TCA = [SIT + \$500] - \{EI - 0.1 \times [SIT + \$500]\}$$

where:

SIT is the amount of the variable TCA calculated in accordance with clause (b) and adjusted in accordance with subsection 51(3); and

EI is the greater of:

(i) $0.1 \times (SIT + \$500)$; and

(ii) the income for the year of the person with respect to whom the equivalent-to-spouse credit is being claimed;

(d) for the 2028 taxation year:

$$C = AP \times TCA$$

where:

AP is the appropriate percentage for the taxation year; and

$$TCA = [SIT + \$500] - \{EI - 0.1 \times [SIT + \$500]\}$$

where:

SIT is the amount of the variable TCA calculated in accordance with clause (c) and adjusted in accordance with subsection 51(3); and

EI is the greater of:

(i) $0.1 \times (SIT + \$500)$; and

(ii) the income for the year of the person with respect to whom the equivalent-to-spouse credit is being claimed.

Equivalent-to-spouse credit

13(4) For the purpose of computing the tax payable pursuant to this Act for the 2029 and subsequent taxation years by an individual described in paragraph (b) of the description of B in subsection 118(1) of the federal Act who does not claim a spousal credit pursuant to section 12 of this Act for the taxation year, there may be deducted an equivalent-to-spouse credit in an amount C determined in accordance with the following formula:

$$C = AP \times TCA$$

where:

AP is the appropriate percentage for the taxation year; and

$$TCA = SIT - [EI - (0.1 \times SIT)]$$

where:

SIT is the amount of the variable TCA calculated for the preceding taxation year and adjusted in accordance with subsection 51(3); and

EI is the greater of:

(a) $0.1 \times \text{SIT}$; and

(b) the income for the year of the person with respect to whom the equivalent-to-spouse credit is being claimed.

Explanation

The Equivalent-to-Spouse Tax Credit is a non-refundable tax credit to help individuals who are supporting a dependent (child or a relative) and do not have a spouse or common-law partner. It is meant to provide similar tax relief that couples receive.

The final equivalent-to-spouse tax credit for the 2026 taxation year is added and the formula is removed.

The technical amendments for 2027 and 2028 taxation years update the formulas for calculating the tax credit to ensure that the prior year's tax credit amount, after adjusting for the prior year's indexation, is incorporated into the calculation of the tax credit amount in the current year, plus the new \$500 enhancement.

These updates do not affect the value of the tax credits, maintain the status quo and clarify how the amounts are indexed to support consistent and effective administration by the CRA.

5(3) **Existing Provision** section 13

None

Explanation

The equivalent-to-spouse credit updates to 2029 and beyond are to ensure that the tax credit calculation continues to properly account for indexation for future years.

6(1) **Existing Provision** section 19

Dependent child credit

19(4) Subject to subsections (1.1), (2) and (3), for the purpose of computing the tax payable pursuant to this Act for the taxation years 2025 through 2028 by an individual who is resident in Saskatchewan on the last day of the taxation year, there may be deducted a dependent child credit in an amount I determined in accordance with the following formula:

[...]

(b) for the 2026 taxation year:

$$I = AP \times [(Y + \$500) \times QD]$$

where:

AP is the appropriate percentage for the taxation year;

Y is Y as set out in clause (a) and adjusted in accordance with subsection 51(3); and

QD is the number of children to whom subsection (2) applies;

(c) for the 2027 taxation year:

$$I = AP \times [(Y + \$500) \times QD]$$

where:

AP is the appropriate percentage for the taxation year;

Y is Y as determined in accordance with clause (b) and adjusted in accordance with subsection 51(3); and

QD is the number of children to whom subsection (2) applies;

(d) for the 2028 taxation year:

$$I = AP \times [(Y + \$500) \times QD]$$

where:

AP is the appropriate percentage for the taxation year;

Y is Y as determined in accordance with clause (c) and adjusted in accordance with subsection 51(3); and

QD is the number of children to whom subsection (2) applies.

Explanation

The Dependent Child Tax Credit is a non-refundable tax credit that helps parents or guardians by reducing the amount of income tax they owe for each dependent child.

The final dependent child tax credit for the 2026 taxation year is added and the formula is removed.

The technical amendments for 2027 and 2028 taxation years update the formulas for calculating the tax credit to ensure that the prior year's tax credit amount, after adjusting for the prior year's indexation, is incorporated into the calculation of the tax credit amount in the current year, plus the new \$500 enhancement.

These updates do not affect the value of the tax credits, maintain the status quo and clarify how the amounts are indexed to support consistent and effective administration by the CRA.

6(2) **Existing Provision** section 19

None

Explanation

The dependent child credit updates to 2029 and beyond are to ensure that the tax credit calculation continues to properly account for indexation for future years.

7(1) **Existing Provision** section 19.12

Home Renovation Tax Credit – 2025 and subsequent taxation years

19.12(8) If more than one individual is entitled to a deduction pursuant to this section for a taxation year with respect to a qualifying expenditure of an individual:

(a) the total of all amounts so deductible shall not exceed the maximum amount that would be so deductible for the year by any one of those individuals with respect to the qualifying expenditure, if that individual were the only individual entitled to deduct an amount for the year pursuant to this section;

[...]

Explanation

The Home Renovation Tax Credit is a non-refundable tax credit that allows homeowners to claim a non-refundable 10.5 per cent provincial tax credit on eligible home renovation expenses undertaken on their primary residence. Effective October 1, 2024, eligible home renovation expenses over \$1,000 may be claimed to a maximum of \$4,000 per year (with a maximum of \$5,000 per year for seniors).

Minor update to wording.

7(2) **Existing Provision** section 19.12

None

Explanation

The home renovation tax credit for a couple is clarified to reflect the requirement that both individuals must be 65 years of age or older to claim the maximum \$5000 amount. This amendment reflects existing policy.

8 **Existing Provision** section 19.3

Saskatchewan Volunteer Firefighter Tax Credit

19.3(2) Subject to subsections (3) and (4), for the purpose of computing tax payable pursuant to this Act for a taxation year by an individual who is resident in Saskatchewan on the last day of the taxation year, there may be deducted a volunteer firefighter tax credit in an amount VFTC determined in accordance with the following formula:

$$\text{VFTC} = \text{AP} \times \$3000$$

where AP is the appropriate percentage for the taxation year.

Explanation

Volunteer First Responders' Tax Credits are non-refundable tax credits for individuals who perform at least 200 hours of eligible volunteer services in a year. Eligible volunteer services include responding to, and being on call for, search and rescue, firefighting and other emergency calls, attending required meetings and participating in required training. These tax credits are designed to mirror the rules of the existing federal tax credits.

The Saskatchewan Volunteer Firefighter Tax Credit amount will be doubled from \$3,000 to \$6,000, resulting in a maximum annual non-refundable PIT benefit increase from \$315 to \$630, effective for the 2026 taxation year.

9

Existing Provision section 19.4

Saskatchewan Volunteer Medical First Responder Tax Credit

19.4(2) Subject to subsections (3) and (4), for the purpose of computing tax payable pursuant to this Act for a taxation year by an individual who is resident in Saskatchewan on the last day of the taxation year, there may be deducted a volunteer medical first responder tax credit in an amount VMFRTC determined in accordance with the following formula:

$$\text{VMFRTC} = \text{AP} \times \$3000$$

where AP is the appropriate percentage for the taxation year.

Explanation

Volunteer First Responders' Tax Credits are non-refundable tax credits for individuals who perform at least 200 hours of eligible volunteer services in a year. Eligible volunteer services include responding to, and being on call for, search and rescue, firefighting and other emergency calls, attending required meetings and participating in required training. These tax credits are designed to mirror the rules of the existing federal tax credits.

The Saskatchewan Volunteer Medical First Responder Tax Credit amount will be doubled from \$3,000 to \$6,000, resulting in a maximum annual non-refundable PIT benefit increase from \$315 to \$630, effective for the 2026 taxation year.

10

Existing Provision section 19.5

Saskatchewan Volunteer Search and Rescue Tax Credit

19.5(2) Subject to subsections (3) and (4), for the purpose of computing tax payable pursuant to this Act for a taxation year by an individual who is resident in Saskatchewan on the last day of the taxation year, there may be deducted a volunteer search and rescue tax credit in an amount VSRTC determined in accordance with the following formula:

$$\text{VSRTC} = \text{AP} \times \$3000$$

where AP is the appropriate percentage for the taxation year.

Explanation

Volunteer First Responders' Tax Credits are non-refundable tax credits for individuals who perform at least 200 hours of eligible volunteer services in a year. Eligible volunteer services include responding to, and being on call for, search and rescue, firefighting and other emergency calls, attending required meetings and participating in required training. These tax credits are designed to mirror the rules of the existing federal tax credits.

The Saskatchewan Volunteer Search and Rescue Tax Credit amount will be doubled from \$3,000 to \$6,000, resulting in a maximum annual non-refundable PIT benefit increase from \$315 to \$630, effective for the 2026 taxation year.

11(1-2) **Existing Provision** section 20

Senior Supplementary Credit

(1.2) For the purpose of computing the tax payable pursuant to this Act for the taxation years 2025 through 2028 by an individual described in subsection (2), there may be deducted a senior supplementary credit in an amount J determined in accordance with the following formula:

[...]

(b) for the 2026 taxation year:

$$J = AP \times (Y + \$500)$$

where:

AP is the appropriate percentage for the taxation year; and

Y is Y as set out in clause (a) and adjusted in accordance with subsection 51(3);

(c) for the 2027 taxation year:

$$J = AP \times (Y + \$500)$$

where:

AP is the appropriate percentage for the taxation year; and

Y is Y as determined in accordance with clause (b) and adjusted in accordance with subsection 51(3);

(d) for the 2028 taxation year:

$$J = AP \times (Y + \$500)$$

where:

AP is the appropriate percentage for the taxation year; and

Y is Y as determined in accordance with clause (c) and adjusted in accordance with subsection 51(3).

Explanation

The Senior Supplementary Tax Credit is a non-refundable tax credit provided to support Saskatchewan seniors by reducing the income tax they owe.

The final senior supplementary tax credit for the 2026 taxation year is added and the formula is removed.

The technical amendments for 2027 and 2028 taxation years update the formulas for calculating the tax credit to ensure that the prior year's tax credit amount, after adjusting for the prior year's indexation, is incorporated into the calculation of the tax credit amount in the current year, plus the new \$500 enhancement.

These updates do not affect the value of the tax credits, maintain the status quo and clarify how the amounts are indexed to support consistent and effective administration by the CRA.

11(3) **Existing Provision** section 20

None

Explanation

The Senior Supplementary Tax Credit is a non-refundable tax credit provided to support Saskatchewan seniors by reducing the income tax they owe.

The updates to 2029 and beyond are to ensure that the tax credit calculation continues to properly account for indexation for future years.

12 **Existing Provision** section 23

Mental or physical impairment credit

(2.5) For the 2026 and subsequent taxation years, in the case of an individual who is entitled to a credit pursuant to subsection (2.4) and has not attained the age of 18 years before the end of the taxation year, the amount K calculated pursuant to subsection (2.4) is to be increased by an amount S calculated in accordance with

the following formula:

$$S = AP \times TCA$$

where:

AP is the appropriate percentage for the taxation year; and

$TCA = [\$13,986 \text{ adjusted for the 2026 and subsequent taxation years in accordance with subsection 51(3)}] - [C - \$3,277 \text{ adjusted for the 2026 and subsequent taxation years in accordance with subsection 51(3)}]$

where C is the greater of:

(a) \$3,277 adjusted for the 2026 and subsequent taxation years in accordance with subsection 51(3); and

(b) the total of all amounts each of which is an amount paid in the taxation year for the care or supervision of the individual and included in computing a deduction pursuant to section 63, 64, 64.01 or 118.2 of the federal Act for that taxation year.

Explanation

The Disability Tax Credit is a non-refundable tax credit designed to help people with disabilities, or their families reduce the amount of income tax they owe. It recognizes the extra costs associated with living with a disability. The Disability Tax Credit supplement for persons under age 18 is an additional amount that can be claimed for children under 18 who qualify for the Disability Tax Credit. It provides extra financial support to families with children who have disabilities.

The technical amendments ensure that starting in 2026, the amounts for the Disability Tax Credit and the supplement will be indexed each year to account for inflation following the 25 per cent increase to this tax credit in 2025.

These updates do not affect the value of the tax credits, maintain the status quo and clarify how the amounts are indexed to support consistent and effective administration by the CRA.

Existing Provision section 39

Saskatchewan low-income tax credit

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

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

where:

B is the amount B for the taxation year determined in accordance with subsection (5); and

C is, subject to subsection (6.2), the amount C for the taxation year determined in accordance with subsection (6).

(5.1) For the purposes of subsection (4), for the 2020 through 2024 taxation years, subsection (5) applies subject to the dollar amounts being adjusted in accordance with subsection 51(5).

(5.2) For the purposes of subsection (4), for the 2025 through 2028 taxation years, the amount B is the total of:

(a) for the 2025 taxation year:

(b) for the 2026 taxation year:

(i) an amount that is equal to [\$429 adjusted in accordance with subsection 51(3)] \times 1.05;

[...]

(iv) where the individual has one or more qualified dependents for the taxation year, not including a qualified dependent with respect to whom the amount set out in subclause (iii) is included in computing the amount B for the taxation year:

(A) an amount that is equal to [\$169 adjusted in accordance with subsection 51(3)] \times 1.05, if:

[...]

(c) for the 2027 taxation year:

(i) an amount that is equal to [the amount calculated in accordance with subclause (b)(i) and adjusted in accordance with subsection 51(3)] \times 1.05;

[...]

(iv) where the individual has one or more qualified dependents for the taxation year, not including a qualified dependent with respect to whom the amount set out in subclause (iii) is included in computing the amount B for the taxation year:

(A) an amount that is equal to [the amount calculated in accordance with paragraph (b)(iv)(A) adjusted in accordance with

subsection 51(3)] \times 1.05, if:

[...]

(d) for the 2028 taxation year:

(i) an amount that is equal to [the amount calculated in accordance with subclause (c)(i) and adjusted in accordance with subsection 51(3)] \times 1.05;

[...]

(iv) where the individual has one or more qualified dependents for the taxation year, not including a qualified dependent with respect to whom the amount set out in subclause (iii) is included in computing the amount B for the taxation year:

(A) an amount that is equal to [the amount calculated in accordance with paragraph (c)(iv)(A) adjusted in accordance with

subsection 51(3)] \times 1.05, if:

[...]

(5.3) For the purposes of subsection (4), for the 2029 and subsequent taxation years, subsection (5.2) applies subject to the dollar amounts set out in clause (5.2)(d) being adjusted in accordance with subsection 51(5).

(6.1) For the purposes of subsection (4), for the 2020 through 2024 taxation years, the formula set out in subsection (6) applies subject to the dollar amounts being adjusted in accordance with subsection 51(5).

(6.2) For the purposes the determination of the variable C in the formula set out in subsection (4), for the 2025 taxation year, the amount C is equal to 2.884% of the amount, if any, by which the individual's adjusted income for that taxation year exceeds the amount D calculated in accordance with the following formula:

[...]

(6.3) For the purposes the determination of the variable C in the formula set out in subsection (4), for the 2026 through 2028 taxation years, the amount C is equal to the percentage prescribed in the regulations of the amount, if any, by which the individual's adjusted income for that taxation year exceeds the amount D calculated in accordance with the following formula:

$$D = MB - L/P$$

where:

MB is the amount, for the taxation year, as determined by clause 8(1)(a), subject to subsection 8(2);

L is:

(a) for the 2026 taxation year, the amount calculated in accordance with subclause (5.2)(b)(i);

(b) for the 2027 taxation year, the amount calculated in accordance with subclause (5.2)(c)(i); and

(c) for the 2028 taxation year, the amount calculated in accordance with subclause (5.2)(d)(i); and

P is the percentage prescribed in the regulations.

Explanation

The Saskatchewan Low-Income Tax Credit is a fully refundable, nontaxable benefit designed to assist Saskatchewan residents with low and modest incomes.

Minor technical amendments have been made to ensure that the CRA can properly administer this tax credit on behalf of Saskatchewan. No policy change; housekeeping only.

14 **Existing Provision** section 49

Ordering of credits

49 In computing an individual's tax payable pursuant to this Act, the following sections must be applied in the following order: sections 31, 11, 12, 13, 14, 15, 16, 19, 17, 20, 28, 18, 19.11, 19.2, 19.3, 19.4, 19.5, 23, 26, 24 and 25, subsections 29(3) and 29(1) and sections 22, 19.1, 21, 27 and 32.

Explanation

The Home Renovation Tax Credit – 2025 and subsequent taxation years (s. 19.12) has been added to the ordering of how tax credits are applied. No policy change; housekeeping only.

15(1) **Existing Provision**

Saskatchewan Chemical Fertilizer Incentive

(3) An eligible corporation that intends to apply for a rebate must submit to the minister a copy of its SCFI eligibility certificate and, for each taxation year for which the eligible corporation wishes to claim a rebate, the eligible corporation must submit, in a form acceptable to the minister:

- (a) a copy of its full T2 corporate income tax return, including all schedules;
- (b) its Canada Revenue Agency notice of assessment or notice of reassessment for that taxation year; and

Explanation

The Saskatchewan Chemical Fertilizer Incentive provides a non-refundable, non-transferable 15 per cent corporation income tax credit on capital expenditures valued at \$10 million or more for newly constructed or expanded eligible chemical fertilizer production facilities in Saskatchewan.

Corporations must submit financial statements when applying for the rebate and must file their application within three years.

15(2) **Existing Provision**

None

Explanation

This amendment allows three years after the first taxation year for the eligible corporations to apply for the SCFI rebate.

15(3) **Existing Provision**

(7) Notwithstanding any of the other provisions of this section:

[...]

(d) no rebate is payable for a taxation year before 2017;

(e) no rebate shall be granted after the tenth taxation year following the year for which the SCFI eligibility certificate was issued; and

[...]

Explanation

These amendments reflect changes to the Saskatchewan Chemical Fertilizer Incentive Tax Credit. Eligible Corporations will have an additional five years, up to December 31, 2031, to meet the minimum capital investment requirement of \$10 million. The conditional approval date of December 31, 2026 is maintained. No rebates will be issued after the 2044 taxation year.

The Minister is also granted authority to offset rebate payments against any amounts the corporation owes, and several administrative provisions have been transferred from *The Saskatchewan Chemical Fertilizer Act* to *The Income Tax Act, 2000*, as the Minister of Finance administers the program payments.

15(4)

Existing Provision

None

Explanation

These subsections are moved from the SCFI Act and added to The Income Tax Act, 2000 to clarify that eligible corporations must maintain records related to the SCFI Tax Credit.

16

Existing Provision

None

Explanation

Section 16 is the Coming into Force provision.