

EXPLANATORY NOTES
BILL
No. 53

An Act to amend *The Saskatchewan Chemical Fertilizer Incentive Act*

**Clause
of Bill**

1 *The Saskatchewan Chemical Fertilizer Incentive Amendment Act, 2026.*

2 *The Saskatchewan Chemical Fertilizer Incentive Act*

3 **Existing Provision**

Review of application

6(1) To be eligible for an SCFI eligibility certificate, the applicant must satisfy the minister that the applicant:

(a) will carry on eligible chemical fertilizer production at the new facility or existing facility that is the subject of its application;

(b) has made, on or after November 1, 2017 and before January 1, 2027, at least the prescribed amount in new capital expenditures in Saskatchewan with respect to the new facility or existing facility; and

(c) has started production with respect to the eligible chemical fertilizer production at the new or existing facility that is the subject of its application.

2020, c35, s.6

Explanation

Clause 6(1)(b) is amended by striking out “January 1, 2027” and substituting “January 1, 2032.” This change extends the end date for eligible capital expenditures under the program by five years.

6(1.1) introduces a deadline of December 31, 2034 to apply for an SCFI eligibility certificate.

4 **Existing Provision**

Issuance of SCFI eligibility certificate

8(1) Subject to section 10, if the minister is satisfied that the new facility or existing facility, as the case may be, that is the subject of the application has met the criteria mentioned in section 6, the minister shall issue to the applicant an SCFI eligibility certificate that sets out the amount of new capital expenditures described in subsection 6(4).

(2) An eligible applicant that has satisfied the requirements of this Act and the regulations is eligible for a tax credit, as calculated in accordance with section 64.8 of *The Income Tax Act, 2000*.

(3) An SCFI eligibility certificate is non-transferable.

2020, c35, s.8.

Explanation

8(4) sets the requirement for the SCFI eligibility certificate to include the taxation year it is issued for.

8(5) sets 2034 as the last year for which an SCFI eligibility certificate can be issued for.

5 Existing Provision

Claiming tax credit

9(1) Subject to subsection (2), an eligible applicant is entitled to claim the SCFI tax credit for a taxation year in accordance with section 64.8 of The Income Tax Act, 2000.

(2) An eligible applicant that claims an SCFI tax credit for a taxation year pursuant to section 64.8 of The Income Tax Act, 2000 must submit to the minister responsible for the administration of that Act:

- (a) a copy of its SCFI eligibility certificate;
- (b) a copy of its full T2 corporate income tax return, including all schedules;
- (c) its Canada Revenue Agency notice of assessment or notice of reassessment for that taxation year; and
- (d) any other information and records that the minister responsible for the administration of that Act may require in order to determine the amount of the tax credit.

2020, c35, s.9.

Explanation

Subsection 9(1) is updated to remove the reference to subsection 9(2).

Subsection 9(2) is repealed. It is anticipated the content of subsection 9(2) will be included in *The Income Tax Act, 2000*.

6 Existing Provision

Record keeping requirements

12(1) An eligible applicant that intends to apply for the SCFI tax credit mentioned in section 9 shall:

- (a) maintain any records that relate or may relate to:
 - (i) the status or eligibility of the eligible applicant to receive the tax credit; or
 - (ii) the amount of any tax credit; and
- (b) forward to the minister for the purposes of inspection, examination or audit, any records required to be maintained pursuant to clause (a), or any extract from those records, at the time and in the manner that the minister considers appropriate.

2020, c35, s.12.

Explanation

Clause 12(1)(a) is changed to reference records related to applications for conditional approval and an SCFI eligibility certificate.

It is anticipated the record keeping requirements related to the tax credit itself will be included in *The Income Tax Act, 2000*.

7 Existing Provision

Recovery

20(1) If an applicant obtains an SCFI tax credit to which it was not entitled pursuant to this Act, the amount of the tax credit is a debt due to the Crown in right of Saskatchewan and may be recovered:

- (a) by deducting that amount from any payments or tax credits pursuant to The Income Tax Act, 2000 for which the applicant is eligible;
- (b) in any other manner authorized by The Financial Administration Act, 1993; or
- (c) by filing with the Court of King's Bench, at any judicial centre, a certificate of the minister certifying the amount of the tax credit, together with interest at the prescribed rate to the date of the certificate.

(2) A certificate filed pursuant to clause (1)(c) has the same force and effect as if it were a judgment obtained in the Court of King's Bench for the recovery of a debt in the amount specified in the certificate, together with any reasonable costs and charges with respect to its filing.

2020, c35, s.20; 2024, c4, s.32.

Explanation

Section 20 is repealed. It is anticipated that content related to recovery will be included in *The Income Tax Act, 2000*.

8 Existing Provision

Coming into force

25 This Act comes into force by order of the Lieutenant Governor in Council.

Explanation

Change to assent and make subsection 4(1) and sections 5 and 7 retroactive to July 17, 2020.