



BILL NO. 116

Government Bill

*1st Session, 63rd General Assembly
Nova Scotia
67 Elizabeth II, 2018*

An Act Respecting Certain Financial Measures

CHAPTER 4
ACTS OF 2018

**AS ASSENTED TO BY THE ADMINISTRATOR OF THE PROVINCE
APRIL 18, 2018**

The Honourable Karen Casey
Minister of Finance and Treasury Board

*Halifax, Nova Scotia
Printed by Authority of the Speaker of the House of Assembly*

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An Act Respecting Certain Financial Measures

Be it enacted by the Governor and Assembly as follows:

- 1 This Act may be cited as the *Financial Measures (2018) Act*.

PART I

CHARTERED PROFESSIONAL ACCOUNTANTS ACT

2 **Subsection 14(1) of Chapter 30 of the Acts of 2015, the *Chartered Professional Accountants Act*, is amended by adding immediately after clause (e) the following clause:**

(ea) prescribing the circumstances under which the Registration Committee or the Registration Appeals Committee may authorize a member to use a legacy designation;

3 (1) **Subsection 36(2) of Chapter 30 is amended by**

(a) **striking out “was” in the second line and substituting “is”; and**

(b) **striking out “prior to the coming into force of this Act” in the second line and substituting “pursuant to Section 37”.**

(2) **Subsection 36(3) of Chapter 30 is amended by**

(a) **striking out “was” in the second line and substituting “is”; and**

(b) **striking out “prior to the coming into force of this Act” in the second line and substituting “pursuant to Section 37”.**

4 **Section 37 of Chapter 30 is repealed and the following Section substituted:**

37 A member may not use a legacy designation unless the member was entitled to use it prior to August 2, 2016, or the member is authorized to use a legacy designation by the Registration Committee or the Registration Appeals Committee in accordance with the by-laws.

PART II

CORPORATION CAPITAL TAX ACT

5 (1) **Subsection 35(1) of Chapter 99 of the Revised Statutes, 1989, the *Corporation Capital Tax Act*, is amended by striking out “four” in the second line and substituting “ten”.**

(2) **Subsection 35(2) of Chapter 99 is amended by striking out “four” in the second line and substituting “ten”.**

PART III

GAMING CONTROL ACT

6 Clause 3(d) of Chapter 4 of the Acts of 1994-95, the *Gaming Control Act*, as amended by Chapter 23 of the Acts of 2012, is further amended by striking out “Provincial Lotteries and Casino” in the first and second lines and substituting “Gaming”.

7 The heading immediately preceding Section 6 of Chapter 4, as amended by Chapter 23 of the Acts of 2012, is further amended by striking out “PROVINCIAL LOTTERIES AND CASINO” in the second line and substituting “GAMING”.

8 Section 8 of Chapter 4 is repealed and the following Section substituted:

8 The Nova Scotia Provincial Lotteries and Casino Corporation is hereby continued as a body corporate under the name Nova Scotia Gaming Corporation.

PART IV

INCOME TAX ACT

9 Subclause 10(1)(f) of Chapter 217 of the Revised Statutes, 1989, the *Income Tax Act*, as enacted by Chapter 4 of the Acts of 2000, is amended by adding “read for taxation years before 2017 and as” immediately after “provision” in the sixth line.

10 Subsection 10C(1) of Chapter 217, as enacted by Chapter 6 of the Acts of 2017, is amended by striking out “\$8,481” in the third last line and substituting “\$9,329”.

11 Subsection 10D(1) of Chapter 217, as enacted by Chapter 6 of the Acts of 2017, is amended by striking out “\$8,481” in the second last line and substituting “\$9,329”.

12 Subclause 12(b)(ii) of Chapter 217 is repealed and the following subclauses substituted:

(ii) in taxation years after 2004 and before 2011, the lesser of \$10,000 and the amount that would be determined by the formula “E - F” in subsection 118.2(1) of the Federal Act, if the dollar amount set out in the description of “C” in this subsection were substituted for the dollar amount set out in the description of “F” in subsection 118.2(1) of the Federal Act,

(iii) in taxation years after 2010, the amount that would be determined by the formula “E - F” in subsection 118.2(1) of the Federal Act, if the dollar amount set out in the description of “C” in this subsection were substituted for the dollar amount set out in the description of “F” in subsection 118.2(1) of the Federal Act.

13 Chapter 217 is further amended by adding immediately after Section 37 the following Section:

37A (1) In this Section,

(a) “approved corporation” means a corporation approved under subsection (3);

(b) “eligible corporation” means a corporation that satisfies the criteria prescribed by the regulations;

(c) “eligible investment” means an investment made by an eligible investor that satisfies the criteria prescribed by the regulations;

(d) “eligible investor” means an individual who satisfies the criteria prescribed by the regulations;

(e) “innovation equity tax credit” means, in respect of a taxation year, the amount of an eligible investment made in the taxation year multiplied by the innovation equity tax credit rate;

(f) “innovation equity tax-credit rate” means the rate prescribed by the regulations;

(g) “maximum eligible investment” means the amount prescribed by the regulations;

(h) “prohibited purpose” means a purpose prescribed by the regulations as being a prohibited purpose;

(i) “specified issue” means an issue of shares that satisfies the criteria prescribed by the regulations;

(j) “tax-credit certificate” means a certificate entitling an eligible investor to a deduction under this Section.

(2) A corporation that intends to make a specified issue may apply to the Minister of Finance and Treasury Board for the Province to be approved under subsection (3).

(3) Where the Minister of Finance and Treasury Board for the Province is satisfied that

(a) a corporation that has applied to be approved is an eligible corporation;

(b) the specified issue in respect of which the application was made complies with the *Securities Act*;

(c) the funds to be raised will not be used for a prohibited purpose; and

(d) the corporation has satisfied any requirements prescribed by the regulations,

the Minister of Finance and Treasury Board for the Province shall approve the corporation.

(4) The Minister of Finance and Treasury Board for the Province may impose upon an approved corporation any conditions that the Minister of Finance and Treasury Board for the Province considers appropriate.

(5) The Minister of Finance and Treasury Board for the Province may cancel the approval under subsection (3) of a corporation

(a) in the event that the corporation breaches a condition imposed upon it under subsection (4); or

(b) in the circumstances prescribed by the regulations.

(6) Where an approved corporation has made a specified issue, the approved corporation may apply to the Minister of Finance and Treasury Board for the Province, in the manner and within the time prescribed by the regulations, for a tax-credit certificate entitling each individual who has made an eligible investment to a deduction under this Section.

(7) The Minister of Finance and Treasury Board for the Province may not issue a tax-credit certificate if, in the opinion of the Minister of Finance and Treasury Board for the Province, the specified issue or eligible investment to which the tax-credit certificate relates is an avoidance transaction as defined in Section 80A.

(8) Where, in respect of a taxation year, an eligible investor has been issued a tax-credit certificate, the eligible investor may deduct from the tax otherwise payable under this Act for the taxation year an amount not exceeding the lesser of

(a) the aggregate of the innovation equity tax credit and any amount eligible for deduction under subsection (9); and

(b) the maximum eligible investment multiplied by the innovation equity tax-credit rate.

(9) Where an eligible investor has been issued a tax-credit certificate and the amount of the innovation equity tax credit exceeds the amount of tax payable by the eligible investor for the taxation year, the eligible investor may

(a) carry back and deduct any unused balance of the innovation equity tax credit from tax otherwise payable by the eligible investor in any one or more of the eligible investor's three previous taxation years after 2018; or

(b) carry forward and deduct any unused balance of the innovation equity tax credit from tax otherwise payable by the eligible investor in any one or more of the eligible investor's seven subsequent taxation years,

if, in the taxation year to which the unused balance is carried back or forward, the aggregate amount deducted from tax otherwise payable does not exceed the product, for that taxation year, of the maximum eligible investment multiplied by the innovation equity tax-credit rate.

(10) An eligible investor who has made a deduction under this Section is liable, in the circumstances prescribed by the regulations, to pay to the Minister of Finance and Treasury Board for the Province an amount equal to the deduction.

(11) A corporation is jointly and severally liable, in the circumstances prescribed by the regulations, for any liability incurred by an eligible investor under subsection (10) for a deduction made by the eligible investor in respect of the corporation.

(12) This Section applies with respect to eligible investments made after December 31, 2018, and before March 1, 2024.

(13) The Minister of Finance and Treasury Board for the Province shall conduct or cause to be conducted a review of the tax credit established by this Section on or after December 31, 2022, and prepare a written report of the results of the review no later than December 31, 2023.

(14) The Minister of Finance and Treasury Board for the Province shall table the report referred to in subsection (10) in the Assembly if the Assembly is then sitting or, where the Assembly is not then sitting, file the report with the Clerk of the Assembly.

(15) The Governor in Council may make regulations

(a) prescribing the criteria that a corporation must satisfy to be an eligible corporation;

(b) prescribing the criteria that an investment must satisfy to be an eligible investment;

(c) prescribing the criteria that an investor must satisfy to be an eligible investor;

(d) prescribing the innovation equity tax-credit rate;

(e) prescribing the maximum eligible investment;

(f) prescribing purposes as being prohibited purposes;

(g) prescribing the criteria that an issue of shares must satisfy to be a specified issue;

(h) prescribing requirements a corporation must satisfy to be eligible to be approved under subsection (3);

(i) prescribing the circumstances in which the Minister of Finance and Treasury Board for the Province may, under subsection (5), cancel the approval of a corporation;

(j) prescribing the manner in which and the time within which an approved corporation may apply for a tax-credit certificate;

(k) prescribing the circumstances in which an eligible investor who has made a deduction under this Section is liable to pay to the Minister of Finance and Treasury Board for the Province an amount equal to the deduction;

(l) prescribing the circumstances in which a corporation is jointly and severally liable for any liability incurred by an eligible investor under subsection (10) for a deduction made by the eligible investor in respect of the corporation;

(m) defining any word or expression used but not defined in this Section;

(n) respecting any matter or thing the Governor in Council considers necessary or advisable to effectively carry out the intent and purpose of this Section.

PART V

PENSION BENEFITS ACT

14 Clause 2(z) of Chapter 41 of the Acts of 2011, the *Pension Benefits Act*, is amended by adding “but does not include a former member or retired member of the pension plan” immediately after “plan” in the second line.

15 Clause 63(4)(b) of Chapter 41, as amended by Chapter 25 of the Acts of 2013 and Chapter 6 of the Acts of 2015, is further amended by

- (a) striking out “the spouse,” in the fourth line;
- (b) adding “the spouse” immediately before “has” in the first line of subclause (i); and
- (c) striking out subclauses (ii) and (iii) and substituting the following subclauses:
 - (ii) the terms of a written agreement respecting the division of the pension or the pension benefit, entered into before the date that payment of the first instalment of the pension is due, disentitle or do not expressly or impliedly entitle the spouse to receive an amount under the pension, or
 - (iii) the terms of a court order, issued prior to the date that payment of the first instalment of the pension is due, disentitle or do not expressly or impliedly entitle the spouse to receive an amount under the pension.

16 Subsection 67(3) of Chapter 41, as amended by Chapter 25 of the Acts of 2013, is further amended by

- (a) striking out “the spouse of the member, former member or retired member” in the fourth and fifth lines;
- (b) adding “the spouse of the member, former member or retired member” immediately before “has” in the first line of clause (a); and
- (c) striking out clauses (b) and (c) and substituting the following clauses:
 - (b) the terms of a written agreement respecting the division of the deferred pension or the pension benefit disentitle or do not expressly or impliedly entitle the spouse of the member, former member or retired member to receive an amount under the deferred pension or pension benefits; or
 - (c) the terms of a court order disentitle or do not expressly or impliedly entitle the spouse of the member, former member or retired member to receive an amount under the deferred pension or pension benefits.

PART VI

PUBLIC SERVICE SUPERANNUATION ACT

17 The title of Schedule B of Chapter 4 of the Acts of 2012, the *Public Service Superannuation Act*, is amended by striking out “for Persons Employed in the Public Service of Nova Scotia” in the second and third lines.

18 Section 2 of Schedule B of Chapter 4, as amended by Chapter 3 of the Acts of 2013 and Chapter 34 of the Acts of 2014, is further amended by

- (a) striking out “regulations” in the last line of clause (k) and substituting “text”;
- (b) striking out “regulations” in the second line of clause (m) and substituting “text”;
- (c) striking out “regulations” in the last line of subclause (n)(i) and substituting “text”;
- (d) striking out “regulations” in the first line of subclause (t)(iii) and substituting “text”;
- (e) adding immediately after clause (t) the following clause:
 - (ta) “employee director” means a director appointed under clauses 7(1)(b) to (e);
- (f) striking out clause (u) and substituting the following clauses:
 - (u) “employer” means
 - (i) the Province, or
 - (ii) an entity prescribed by the plan text;
 - (ua) “employer director” means a director appointed under clause 7(1)(a);
- (g) striking out “regulations” in the first line of subclause (v)(ii) and substituting “text”;
- (h) striking out “regulations” in the third and fourth lines of subclause (z)(ii) and substituting “text”;
- (i) striking out clause (zc);
- (j) striking out “regulations” in the last line of subclause (ze)(i) and substituting “text”;
- (k) striking out “regulations” in the second and third lines of subclause (ze)(ii) and substituting “text”;
- (l) striking out clause (zg);
- (m) striking out “regulations” in the third line of subclause (zh)(i) and substituting “text”;
- (n) striking out “regulations” in the last line of subclause (zh)(ii) and substituting “text”;

- (o) striking out “regulations” in the second line of clause (zk) and substituting “text”;
- (p) striking out clause (zl) and substituting the following clause:
 - (zl) “plan text” means the terms of the Pension Plan made under Sections 87 and 88;
- (q) striking out “regulations” in the second line of paragraph (zq)(ii)(B) and substituting “text”;
- (r) striking out “regulations” in the last line of subclause (zq)(iv) and substituting “text”;
- (s) striking out “regulations” in the last line of clause (zt) and substituting “text”; and
- (t) striking out “regulations” in the last line of clause (zv) and substituting “text”.

19 Section 7 of Schedule B of Chapter 4 is repealed and the following Section substituted:

- 7 (1) The Board consists of the Chair and twelve directors, of whom
 - (a) six are appointed by the Minister;
 - (b) three are appointed by the Nova Scotia Government Employees Union;
 - (c) one is appointed by the Canadian Union of Public Employees;
 - (d) one is appointed by the Nova Scotia Government Retired Employees Association; and
 - (e) one is appointed by the Board to represent non-union employee members.
- (2) Where the appointment of a director under clauses (1)(a) to (d) is not made within sixty days following the date a position on the Board is vacated for any reason, the quorum referred to in Section 12 is reduced by the number of such vacancies and such reduced quorum continues, in whole or in part, until such time as the outstanding vacancies are filled.
- (3) The Board shall appoint as Chair a person who is approved by at least ten directors.
- (4) Where the quorum for the Board has been reduced pursuant to subsection (2), the total votes required for the appointment of the Chair under subsection (3) is reduced by a corresponding number for such period as the quorum remains reduced.
- (5) Where the Board is unable to appoint a Chair in accordance with subsection (3) within sixty days, a director may provide written notice to the Chief Justice of Nova Scotia that the Board is unable to appoint a replacement Chair and request that the Chief Justice appoint an arbitrator for the purpose of recommending a person to be appointed as Chair by the Board.

(6) Where the Chief Justice is requested to appoint an arbitrator under subsection (5), the Chief Justice shall appoint a single arbitrator.

(7) An arbitrator appointed pursuant to subsection (6) shall provide each director the opportunity to submit the name and qualifications of any person the director wishes the arbitrator to consider recommending to be appointed as Chair.

(8) The arbitrator appointed under subsection (6) shall recommend a person to be appointed as Chair, and the Board shall appoint the recommended person.

20 (1) Subsection 8(1) of Schedule B of Chapter 4, as amended by Chapter 3 of the Acts of 2013, is further amended by striking out “or (e)” in the first line.

(2) Subsection 8(2) of Schedule B of Chapter 4, as enacted by Chapter 3 of the Acts of 2013, is amended by adding “, at the time of appointment” immediately after “applicable” in the last line.

(3) Section 8 of Schedule B of Chapter 4 is further amended by adding immediately after subsection (2) the following subsection:

(2A) A director appointed under clause 7(1)(e) serves for a term specified by the Board at the time of appointment, to a maximum of five years.

(4) Subsections 8(3) to (5) of Schedule B of Chapter 4 are repealed and the following subsections substituted:

(3) Subject to subsection (4), the Chair serves for such term, not exceeding five years, as is specified by the Board at the time of appointment.

(4) Where the Chair is appointed under subsection 7(8), the arbitrator shall specify the length of the term to be served by the Chair.

(5) Where, after reasonable consideration and having provided a full opportunity for all directors to be heard, any director is determined by the other directors to not be acting in the best interests of the members and former members of the Pension Plan, those other directors may by unanimous vote remove the director from the Board.

(5) Subsection 8(6) of Schedule B of Chapter 4 is amended by

(a) striking out “the Minister shall appoint” in the sixth line; and

(b) adding “shall be appointed” immediately after “be,” in the sixth line.

(6) Section 8 of Schedule B of Chapter 4 is further amended by adding immediately after subsection (6) the following subsection:

(6A) For greater certainty, and notwithstanding subsection (6), where a director or the Chair is not able to participate on the Board for a temporary period and the Board is satisfied as to the reason for such non-participation, the Board may determine that clause (6)(b) does not apply for the duration of such period.

21 (1) Subsection 9(1) of Schedule B of Chapter 4 is amended by striking out “Government” in the first line and substituting “employer”.

(2) Subsection 9(2) of Schedule B of Chapter 4 is amended by striking out “non-Government” in the first line and substituting “employee”.

22 Subsection 12(1) of Schedule B of Chapter 4 is repealed and the following subsection substituted:

- (1) Eight directors constitute a quorum if those directors include
 - (a) a majority of the employer directors; and
 - (b) a majority of the employee directors.

23 (1) Subsection 18(1) of Schedule B of Chapter 4 is repealed and the following subsection substituted:

(1) The Board may from time to time set remuneration on such terms and conditions as it stipulates for any person serving as a director or the Chair, both in respect of service on the Board and in respect of service on a committee established under Section 27.

(2) Subsection 18(2) of Schedule B of Chapter 4 is amended by

- (a) adding “and” at the end of clause (a); and**
- (b) repealing clauses (b) to (d) and substituting the following clause:**

(b) remuneration as set by the Board for directors, the Chair and for any other person appointed to a committee of the Board together with reimbursement of reasonable travel and other expenses necessarily incurred in carrying out the business of the Corporation.

24 (1) Subsection 19(1) of Schedule B of Chapter 4 is repealed and the following subsection substituted:

(1) All decisions of the Corporation must be made by a resolution passed at a meeting of the Board by an affirmative vote of at least eight directors, with each director being entitled to exercise one vote and the Chair not being entitled to a vote.

(2) Subsection 19(2) of Schedule B of Chapter 4 is amended by adding “or approved by all of the directors by electronic mail” immediately after “directors” in the first line.

(3) Subsection 19(3) of Schedule B of Chapter 4 is amended by striking out “7(5)” in the second line and substituting “7(2)”.

25 (1) Subsection 21(3) of Schedule B of Chapter 4 is amended by striking out “regulations” in the second and third lines and substituting “text”.

(2) Subsection 21(4) of Schedule B of Chapter 4 is amended by striking out “regulations” in the last line and substituting “text”.

(3) Subsection 21(5) of Schedule B of Chapter 4 is amended by striking out “regulations” in the last line and substituting “text”.

26 Subsection 23(1) of Schedule B of Chapter 4 is amended by striking out “regulations” in the third line and substituting “text”.

27 Subsection 24(1) of Schedule B of Chapter 4 is repealed.

28 (1) Subsection 25(1) of Schedule B of Chapter 4 is amended by striking out “retain an Administrator and” in the first line.

(2) Subsection 25(3) of Schedule B of Chapter 4 is amended by striking out “regulations” in the fourth line and substituting “text”.

29 Subsection 30(1) of Schedule B of Chapter 4 is amended by

(a) striking out “regulations” in the third line and substituting “text”; and

(b) striking out “regulations” in the second line of clause (a) and substituting “text”.

30 Clause 39(3)(b) of Schedule B of Chapter 4 is amended by striking out “regulations” in the second and third lines and substituting “text”.

31 Clause 41(2)(b) of Schedule B of Chapter 4 is amended by striking out “regulations” in the second and third lines and substituting “text”.

32 (1) Subsection 45(3) of Schedule B of Chapter 4 is amended by striking out “Agency” in the first line and substituting “Services Corporation”.

(2) Subsections 45(6) and (7) of Schedule B of Chapter 4 are repealed.

33 (1) Subsection 46(1) of Schedule B of Chapter 4 is amended by striking out “regulations” in the second line and substituting “text”.

(2) Subsection 46(2) of Schedule B of Chapter 4 is amended by striking out “regulations” in the second line and in the third line and substituting in each case “text”.

(3) Subsection 46(4) of Schedule B of Chapter 4 is amended by striking out “regulations” in the third line and substituting “text”.

34 (1) Subsection 47(3) of Schedule B of Chapter 4 is amended by striking out “one hundred and twenty days” in the second and third lines and substituting “six months”.

(2) Subsection 47(7) of Schedule B of Chapter 4 is amended by striking out “regulations” in the second line and in the third line and substituting “text” in each case.

35 (1) Subsection 49(1) of Schedule B of Chapter 4 is amended by striking out “Minister” in the first line and substituting “Corporation”.

(2) Subsections 49(2) to (7) of Schedule B of Chapter 4 are repealed and the following subsections substituted:

(2) The Minister has no continuing legal liability for the Pension Plan in the Minister’s capacity as former Trustee of the Pension Plan, and no person has or may maintain any cause of action or claim against the Minister or the Province arising from or in relation to any act or failure to act of the Minister in the Minister’s capacity as former Trustee of the Pension Plan.

(3) No person has or may maintain any cause of action or claim against the former Nova Scotia Pension Agency, the Department of Finance and Treasury Board, the Province or the Minister arising from or in relation to any act or failure to act of the former Nova Scotia Pension Agency or the Department of Finance and Treasury Board as Administrator occurring at any time prior to the retention of Nova Scotia Pension Services Corporation as Administrator.

(3) Subsection 49(8) of Schedule B of Chapter 4 is repealed and the following subsection substituted:

(8) The Province is not liable for any acts, omissions or obligations of

(a) the Corporation as Trustee; or

(b) any member of the Board or member of a committee of the Board as Trustee,

or obligations relating to the Superannuation Fund, and the Superannuation Fund bears sole liability for the acts or obligations of the Corporation as Trustee and of the members of the Board and members of committees of the Board as Trustee.

36 Section 50 of Schedule B of Chapter 4 is repealed and the following Section substituted:

50 The Corporation shall annually appoint an auditor who shall audit the accounts and investments of the Superannuation Fund and report to the Corporation.

37 (1) Subsection 51(1) of Schedule B of Chapter 4 is amended by striking out “regulations” in the second line, in the fourth line and in the fifth line and substituting in each case “text”.

(2) Subsection 51(2) of Schedule B of Chapter 4 is amended by striking out “regulations” in the third line and in the fourth and fifth lines and substituting in each case “text”.

38 Subsection 52(2) of Schedule B of Chapter 4 is amended by

- (a) striking out “regulations” in the third line of clause (a) and substituting “text”;**
- (b) striking out “regulations” in the last line of clause (a) and substituting “plan text”; and**
- (c) striking out “regulations” in the last line of clause (b) and substituting “text”.**

39 (1) Subsection 53(1) of Schedule B of Chapter 4 is amended by striking out “the Pension Plan or Superannuation Fund” and substituting “Sections 82 to 86 or the *Supplementary Pension Regulations*”.

(2) Subsection 53(2) of Schedule B of Chapter 4 is amended by striking out “any provision of this Act or the regulations” in the third and fourth lines and substituting “Sections 82 to 86 or the *Supplementary Pension Regulations*”.

40 Section 54 of Schedule B of Chapter 4 is repealed.

41 (1) Subsection 55(1) of Schedule B of Chapter 4 is amended by striking out “regulations” in the second line and substituting “text”.

(2) Subsection 55(2) of Schedule B of Chapter 4 is amended by striking out “regulations” in the last line and substituting “text”.

(3) Subsection 55(3) of Schedule B of Chapter 4 is amended by striking out “regulations” in the first line and substituting “text”.

(4) Subsection 55(4) of Schedule B of Chapter 4 is amended by striking out “regulations” in the third line and in the fourth line and substituting “text” in each case.

(5) Subsection 55(6) of Schedule B of Chapter 4 is repealed.

42 Section 56 of Schedule B of Chapter 4 is amended by striking out “regulations” in the first and second lines and substituting “text”.

43 Subsection 57(2) of Schedule B of Chapter 4 is amended by striking out “regulations” in the first line and substituting “text”.

44 Sections 58 and 59 of Schedule B of Chapter 4 are repealed and the following Section substituted:

58 (1) Only the Trustee is responsible to ensure that the Superannuation Fund is sufficient to make all payments required to be made under this Act and no person is liable to make any supplementary or special payments for the purpose of meeting any underfunding in the Pension Plan except as set out in this Act or the plan text.

(2) For greater certainty,

(a) the Minister is only responsible for making those payments to the Superannuation Fund that an employer is required to make under this Act and the plan text;

(b) the Minister is not liable to make any supplementary payments for the purpose of meeting any underfunding in the Pension Plan; and

(c) notwithstanding any contract, agreement, order or representation to the contrary given, made or delivered at any time, no person has or may maintain any cause of action or claim against the Province, the Minister, the Trustee or any other person arising from or in relation to the cessation of any prior obligation to make any supplementary or special payments to the Superannuation Fund.

45 Subsection 60(2) of Schedule B of Chapter 4 is amended by striking out “regulations” in the last line and substituting “text”.

46 Section 61 of Schedule B of Chapter 4 is amended by striking out “regulations” in the last line and substituting “text”.

47 Subsection 62(1) of Schedule B of Chapter 4 is amended by striking out “regulations” in the first line and in the second and third lines and substituting in each case “text”.

48 Section 63 of Schedule B of Chapter 4 is amended by striking out “regulations” in the second line and in the third line and substituting in each case “text”.

49 Section 64 of Schedule B of Chapter 4 is amended by striking out “regulations” in the second line and in the third line and substituting in each case “text”.

50 Section 65 of Schedule B of Chapter 4 is amended by striking out “regulations” in the second line, in the fourth line and in the last line and substituting in each case “text”.

51 Subsection 66(1) of Schedule B of Chapter 4 is amended by striking out “regulations” in the third line and substituting “text”.

52 Subsection 67(1) of Schedule B of Chapter 4 is amended by striking out “regulations” in the third line and substituting “text”.

53 Subsection 68(1) of Schedule B of Chapter 4 is amended by striking out “regulations” in the third line and substituting “text”.

54 Section 69 of Schedule B of Chapter 4 is repealed.

55 Subsection 70(2) of Schedule B of Chapter 4 is amended by

(a) striking out “regulations” in the fourth line of subclause (c)(iii) and substituting “text”;

(b) striking out “regulations” in the second line of subclause (d)(ii) and substituting “text”; and

(c) striking out “regulations” in the fifth line of subclause (d)(v) and substituting “text”.

56 (1) Subsection 73(1) of Schedule B of Chapter 4 is amended by striking out “regulations” in the ninth line and substituting “text”.

(2) Subsection 73(3) of Schedule B of Chapter 4 is amended by striking out “regulations” in the tenth line and substituting “text”.

57 (1) Subsection 76(1) of Schedule B of Chapter 4 is amended by

(a) striking out “Government” in the eighth line and substituting “employer”; and

(b) striking out “non-Government” in the eighth and ninth lines and substituting “employee”.

(2) Subsections 76(2) to (5) of Schedule B of Chapter 4 are repealed and the following subsections substituted:

(2) Where either the employer directors or the employee directors are unable to unanimously agree on the appointment of a person to the arbitration panel within the period specified in subsection (1), a majority of the employer directors or employee directors, as the case may be, shall make the appointment within the next following ten days, failing which the Chair of the Labour Board shall appoint a person from the list referred to in subsection (3), or otherwise in the discretion of the Chair of the Labour Board if there are no names on the list, to act as a member of the panel.

(3) The two persons appointed to act as members of the arbitration panel shall, within ten days of the date the second person is appointed, appoint a third person to act as a member and chair of the arbitration panel from a list maintained by the employer directors and the employee directors of qualified and acceptable individuals who are experts in respect of funding of public pension plans in the Canada.

(4) Where the two members of the arbitration panel appointed under subsection (1) and, where necessary, subsection (2) fail to appoint a person as the third member of the panel and chair within the period specified in subsection (3), the Chair of the Board shall forthwith notify the Chair of the Labour Board and the Chair of the Labour Board shall appoint a person from the list referred to in subsection (3), or otherwise in the discretion of the Chair of the Labour Board if there are no names on the list, to act as the third member and chair of the panel.

(5) Where the Chair of the Labour Board is required under subsection (4) to appoint a person as the third member and chair of the arbitration panel and there are no names on the list referred to in subsection (3), the Chair of the Labour Board shall conduct a search of individuals who are experts in respect of the funding of public pension plans in Canada and appoint one such person to act as the third member and chair of the panel.

58 Subsection 77(4) of Schedule B of Chapter 4 is amended by striking out “Government directors and the non-Government” in the second line and substituting “employer directors and the employee”.

59 Clause 78(1)(b) of Schedule B of Chapter 4 is amended by

(a) striking out “Superintendent of Pensions for the Province” in the third and fourth lines and substituting “Chair of the Labour Board”; and

(b) striking out “Superintendent” in the fourth and fifth lines and substituting “Chair of the Labour Board”.

60 Subsection 79(2) of Schedule B of Chapter 4 is amended by striking out “regulations” in the last line and substituting “text”.

61 (1) Subsection 81(1) of Schedule B of Chapter 4 is amended by striking out “regulations” in the last line and substituting “text”.

(2) Subsection 81(2) of Schedule B of Chapter 4 is amended by striking out “regulations” in the last line and substituting “text”.

62 Section 83 of Schedule B of Chapter 4 is amended by striking out “to” in the first line.

63 The heading immediately before Section 87 of Schedule B of Chapter 4 is amended by striking out “REGULATIONS” and substituting “TEXT”.

64 (1) Subsection 87(1) of Schedule B of Chapter 4 is amended by

(a) striking out “Governor in Council may make regulations” in the first line and substituting “Trustee may from time to time make and amend the plan text”;

(b) striking out “regulations” in the second line of clause (b) and substituting “plan text”;

(c) striking out “regulations” in the last line of clause (d) and substituting “plan text”;

(d) striking out “regulations” in the second line of clause (f) and substituting “plan text”;

(e) striking out “regulations” in the last line of subclause (g)(i) and substituting “plan text”;

(f) striking out “regulations” in the last line of subclause (g)(iii) and substituting “plan text”;

(g) striking out “regulations” in the second line of clause (i) and substituting “plan text”; and

(h) striking out “Governor in Council” in the first line of clause (k) and substituting “Trustee”.

(2) Subsection 87(2) of Schedule B of Chapter 4 is amended by striking out “regulation made by the Governor in Council” in the first line and substituting “term of the plan text made by the Trustee”.

(3) Subsection 87(3) of Schedule B of Chapter 4 is amended by

(a) striking out “regulation” in the first line and substituting “term of the plan text”; and

(b) striking out “regulation” in the second line and substituting “term”.

(4) Subsection 87(4) of Schedule B of Chapter 4 is amended by

(a) striking out “Governor in Council” in the first line and substituting “Trustee”; and

(b) adding “not” immediately after “is” in the second line.

65 (1) Subsection 88(1) of Schedule B of Chapter 4 is repealed.

(2) Subsection 88(2) of Schedule B of Chapter 4 is amended by

(a) striking out “upon assuming the power to make and amend regulations under clauses 87(1)(a) to (i)” in the first and second lines and substituting “in connection with the Trustee’s power to make and amend the plan text under subsection 87(1)”; and

(b) striking out clause (a) and substituting the following clause:

(a) the Trustee may only amend contribution rates and plan eligibility and benefits

(i) in accordance with the authority to do so provided to the Trustee under Sections 66 to 75,

(ii) to implement recommendations set out in a report produced pursuant to Section 47 or where, based on such recommendations, the Trustee determines in the Trustee’s discretion that amendments to contribution rates or plan eligibility and benefits are necessary or advisable, or

(iii) in response to enhancements to the *Canada Pension Plan* scheduled to occur between 2019 and 2025;

- (3) Subsection 88(3) of Schedule B of Chapter 4 is amended by
- (a) striking out “regulations” in the second line of clause (a) and substituting “text”; and
 - (b) striking out “regulations” in the second line of clause (b) and substituting “text”.
- (4) Subsection 88(6) of Schedule B of Chapter 4 is repealed.

PART VII

REVENUE ACT

66 Chapter 17 of the Acts of 1995-96, the *Revenue Act*, is amended by adding immediately after Section 3 the following Section:

3A (1) The Minister of Service Nova Scotia may appoint a Deputy Tax Commissioner to assist the Commissioner in the performance of the Commissioner’s duties.

(2) The Deputy Tax Commissioner may perform any of the duties and exercise any of the powers of the Commissioner as directed or delegated by the Commissioner.

(3) The Deputy Tax Commissioner must be employed pursuant to the *Civil Service Act* and that Act applies to the Deputy Tax Commissioner.

67 Section 12 of Chapter 17, as amended by Chapter 2 of the Acts of 2006, is further amended by adding immediately after subsection (2) the following subsection:

(2A) A regulation made pursuant to subsection (2) may, if it so provides, be retroactive in its operation to a date not earlier than April 1, 2017.

68 Section 80 of Chapter 17 is repealed and the following Sections substituted:

80 In Sections 80A to 80G,

(a) “Supreme Court” means the Supreme Court of Nova Scotia;

(b) “vehicle” means a motor vehicle, aircraft, ship or boat, cargo container or trailer.

80A (1) Where, upon a search of a vehicle pursuant to Section 79, revenue property or tobacco stamps are found in respect of which it is reasonable to believe a contravention of this Act or the regulations has been committed, the vehicle may be detained by an auditor, a compliance officer, or a person appointed by the Commissioner.

(2) Where the person who detained a vehicle under subsection (1) is not a compliance officer, that person shall immediately transfer custody of the vehicle to a compliance officer.

(3) Where a vehicle has been detained by a compliance officer pursuant to subsection (1) or transferred to a compliance officer pursuant to subsection (2), the

compliance officer may continue to detain the vehicle until a person has been charged with an offence under this Act or the regulations and proceedings in respect of that charge have been concluded, except as required by subsection (5) or as directed by the Commissioner under Section 80B.

(4) A compliance officer who detains a vehicle or to whom custody of a detained vehicle is transferred shall, without delay,

(a) report the circumstances of the detention to the Commissioner;

(b) where the person in possession of the vehicle at the time of the initial detention was not the owner of the vehicle, send notification of the detention to the owner of the vehicle at the owner's last known address; and

(c) where the compliance officer has evidence that any person holds a security or property interest in the vehicle, take all reasonable measures to ensure that notification of the detention is sent to that person at that person's last known address.

(5) Subject to subsection (6), any vehicle detained under this Section must, upon application to the compliance officer detaining the vehicle, be immediately returned to the owner or the person in possession of it at the time of the detention if

(a) no person has been charged with an offence under this Act or the regulations within six months after the detention of the vehicle; or

(b) a person has been charged with an offence under this Act or the regulations, no conviction results from that charge and all appeals have been exhausted or the time limit for appeals has expired without an appeal having been taken.

(6) Before a vehicle is returned under this Section to the owner or the person in possession of it at the time of the detention, that owner or person shall pay the expenses related to the detention of the vehicle.

80B (1) Where a vehicle has been detained under Section 80A, a person, other than a person in possession of the vehicle at the time of the detention, who is an owner of the vehicle may make an application to the Commissioner for the return of the vehicle.

(2) An application made under subsection (1) must be in writing and include any evidence that the applicant wishes the Commissioner to consider for the purpose of the application.

(3) The Commissioner shall direct that the vehicle be returned to the applicant if the applicant proves to the satisfaction of the Commissioner that

(a) the applicant acquired in good faith the interest in the detained vehicle before the contravention of the Act or regulations occurred;

(b) the applicant is innocent of any complicity or collusion in respect of the contravention; and

(c) the applicant exercised all reasonable care to ensure that any person likely to have possession of the vehicle was not likely to use it in connection with a contravention of the Act or regulations.

(4) The Commissioner shall notify the applicant of the Commissioner's decision by registered mail and provide reasons.

(5) Where the Commissioner decides not to direct that the vehicle be returned to the applicant, the applicant may, within thirty days after receiving the Commissioner's decision, appeal the Commissioner's decision to a judge of the Supreme Court.

(6) The applicant shall serve a copy of the notice of the appeal on the Commissioner within fifteen days after the filing of the appeal.

(7) An appeal to a judge of the Supreme Court is a hearing *de novo*.

(8) The judge of the Supreme Court may grant an order directing that the vehicle be returned to the applicant if, on the hearing of the appeal, the applicant proves to the satisfaction of the judge that

(a) the applicant acquired in good faith the interest in the detained vehicle before the contravention of the Act or regulations occurred;

(b) the applicant is innocent of any complicity or collusion in respect of the contravention; and

(c) the applicant exercised all reasonable care to ensure that any person likely to have possession of the vehicle was not likely to use it in connection with a contravention of the Act or regulations.

80C Where a person is convicted of an offence under this Act or the regulations, in addition to any other penalty provided for by this Act, a vehicle detained under Section 80A and not returned to the owner or to the person in possession of it at the time of the detention is forfeited to Her Majesty, and the Commissioner may, subject to Section 80D, dispose of the vehicle as the Commissioner sees fit.

80D (1) Where a vehicle is forfeited to Her Majesty under Section 80C, any person, other than a person who was convicted of an offence related to the vehicle, who is an owner of, or who holds a security or property interest in the vehicle, may within thirty days after the date of the forfeiture apply to a judge of the Supreme Court for an order under subsection (3).

(2) The applicant shall serve notice of a hearing respecting the application on the Commissioner at least fourteen days before the day fixed for the hearing.

(3) The judge of the Supreme Court may grant an order declaring that the applicant's interest is not affected by the forfeiture and declaring the nature and extent of the applicant's interest if, on the hearing of an application, the judge is satisfied that

(a) the applicant acquired in good faith the interest in the detained vehicle before the contravention of the Act or regulations occurred;

(b) the applicant is innocent of any complicity or collusion in respect of the contravention; and

(c) the applicant exercised all reasonable care to ensure that any person likely to have possession of the vehicle was not likely to use it in connection with a contravention of the Act or regulations.

(4) Subject to subsections (5) and (6) and any appeal made under Section 80E, the Commissioner shall, upon application made to the Commissioner by any person who has obtained an order under this Section,

(a) direct that the vehicle to which the interest of the applicant relates be returned to the applicant; or

(b) direct that an amount equal to the value of the interest of the applicant, as declared in the order, be paid to the applicant.

(5) An application under subsection (4) must be made not later than ten days after the later of

(a) an order being granted under subsection (3); and

(b) where an appeal was made under Section 80E, the disposition of the appeal.

(6) Before a vehicle forfeited under Section 80C is released under this Section, the expenses relating to the detention of the vehicle must be paid by the applicant, except where that person is the owner of the vehicle and the vehicle, at the time when it was detained, had been taken or was being used without the owner's consent.

(7) The applicant may recover in a court of competent jurisdiction the expenses relating to the detention of the vehicle under this Act from a person convicted of the offence.

(8) The Commissioner may sell or otherwise dispose of the forfeited vehicle as the Commissioner sees fit if

(a) notice of an application made under subsection (1) has not been served upon the Commissioner within the time prescribed in subsection (2);

(b) an application has been made under subsection (1) and dismissed and the time limit for an appeal has expired; or

(c) an amount is to be paid to the applicant under clause (4)(b).

80E The applicant or the Commissioner may appeal a decision made under subsection 80B(8) or subsection 80D(3) to the Nova Scotia Court of Appeal.

80F (1) The Minister of Service Nova Scotia may

(a) designate in writing an employee of any department or of the Government of Canada to carry out any of the duties under Sections 80A to 80E; and

(b) enter into an agreement with the Government of Canada to provide services to the Minister and the Commissioner relating to Sections 80A to 80E.

(2) No action lies or proceedings may be brought against a compliance officer, the Commissioner, or any other person acting pursuant to the authority of this Section or Sections 80B through 80E for any loss or damage suffered by a person because of an act or omission done in good faith in the performance or intended performance of a duty or in the exercise or intended exercise of a power under this Section or Sections 80B through 80E.

80G (1) Where a person has been convicted of an offence before the coming into force of Sections 80A to 80F,

(a) a vehicle detained in connection to that offence in the possession of a compliance officer is forfeited to Her Majesty;

(b) Sections 80A to 80F do not apply in respect of that vehicle; and

(c) the Commissioner may sell or otherwise dispose of that vehicle.

(2) Where a person has not been convicted of an offence before the coming into force of Sections 80A to 80F, those Sections apply in respect of any vehicle detained in connection to that person.

SCHEDULE

An Act Respecting the Taxation of Cannabis

Be it enacted by the Governor and Assembly as follows:

1 This Act may be cited as the *Cannabis Tax Act*.

2 In this Act,

(a) “cannabis taxation agreement” means an agreement implementing a co-ordinated framework for the taxation of cannabis among the Government of Canada and the governments of participating provinces of Canada, together with any amendments made pursuant to this Act;

(b) “Minister” means the Minister of Finance and Treasury Board.

3 The Minister has the general supervision and management of this Act.

4 (1) The Minister may, on behalf of Her Majesty in right of the Province, enter into a cannabis taxation agreement.

(2) The Minister may make payments from the General Revenue Fund in accordance with a cannabis taxation agreement.

(3) The Minister, on behalf of Her Majesty in right of the Province, may from time to time enter into an agreement with the Minister of Finance for Canada on behalf of the Government of Canada to amend a cannabis taxation agreement.

5 (1) The Governor in Council may make regulations

(a) defining any word or expression used but not defined in this Act;

(b) respecting any matter or thing the Governor in Council considers necessary or advisable to effectively carry out the intent and purpose of this Act.

(2) The exercise by the Governor in Council of the authority contained in subsection (1) is a regulation within the meaning of the *Regulations Act*.
