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Bill 216

An Act to implement Budget measures and to enact and amend various statutes

The Hon. P. Bethlenfalvy
Minister of Finance

Government Bill

1st Reading October 30, 2024

2nd Reading

3rd Reading

Royal Assent



EXPLANATORY NOTE

SCHEDULE 1 ASSESSMENT ACT

Paragraph 4.0.1 of subsection 3 (1) of the *Assessment Act* sets out the conditions that must be satisfied for land leased and occupied solely by a university to be exempt from taxation under the Act. These include a condition that land must form part of the main campus of the university. This paragraph is amended to allow for land used to provide residential accommodation for students of the university to be exempt from taxation, even if the land does not form part of the main campus of the university.

SCHEDULE 2 CANADIAN PUBLIC ACCOUNTABILITY BOARD ACT (ONTARIO), 2006

Currently, subsection 11 (2) of the *Canadian Public Accountability Board Act (Ontario), 2006* places restrictions on the disclosure of documents and other information prepared for or received by the Canadian Public Accountability Board in the exercise of its mandate and in connection with, among other things, an inspection carried out under the Board's oversight program. The Schedule creates an exemption to this restriction by enabling the Board, subject to restrictions on the disclosure of specific types of information, to disclose findings from an inspection to the concerned reporting issuer and participating audit firm and to disclose to the public information from the final version of a report setting out the results of an inspection.

SCHEDULE 3 CITY OF TORONTO ACT, 2006

The Schedule amends the *City of Toronto Act, 2006* by adding a new section 302.4, which authorizes the disclosure of specified tax information by the Minister of Finance or a person authorized by the Minister of Finance to the City and by the City to the Minister of Finance.

SCHEDULE 4 CONSTRUCTION ACT

The Schedule makes various amendments to the *Construction Act*.

In subsection 1 (1), the definition of "price" is amended to permit regulations to specify a price for a contract or subcontract other than actual market value of supplied services or materials, where the parties don't agree to a different price. As well, the definition of "written notice of a lien" is amended to include a copy of a claim for lien registered under clause 34 (1) (a) or given under clause 34 (1) (b).

Section 6.1 is amended by making changes to the criteria that must be met in order for an invoice to be considered a proper invoice for the purposes of Part I.1 (prompt payment). As well, the section is amended to provide that an invoice that does not meet those requirements will be deemed to be a proper invoice unless the owner notifies the contractor in writing of the deficiency and of what is required to address it, within the specified time.

A number of amendments are made to Part II.1 (construction dispute interim adjudication), including the following:

1. The Part is amended to permit adjudication to be conducted by a private adjudicator, instead of by an adjudicator included in the Authorized Nominating Authority's adjudicator registry. Fees payable to a private adjudicator are agreed to by the adjudicator and the parties to the adjudication. Fees payable for the appointment of a private adjudicator are to be governed by regulations made under the Act.
2. Section 13.5 is amended to provide that the list of matters that may be adjudicated are to be specified by the regulations, not in the Act. As well, the regulations may provide for adjudication between parties to different contracts or subcontracts respecting the same improvement.
3. Subsection 13.8 (2) currently provides that a contractor may, in the specified circumstances, require the consolidation of multiple related adjudications. The subsection is re-enacted to provide that the consolidation may be required by any party to any of the adjudications.
4. A new section 13.12.1 provides for the making of objections to an adjudicator's jurisdiction to conduct an adjudication, or on the basis that an adjudicator has exceeded their jurisdiction in the conduct of an adjudication.
5. A new section 13.17.1 provides for the making of corrections to an adjudicator's determination after it has been communicated to the parties to the adjudication.

Sections 26 to 26.2, respecting the payment of holdback required to be retained under subsection 22 (1) (basic holdback), are repealed and replaced by new holdback payment rules. The re-enacted section 26 requires annual payment of the holdback in accordance with rules and restrictions specified by the section. The section also addresses the payment of holdback that isn't paid or payable on an annual basis. Section 31, respecting the expiry of liens, is consequently amended to address the new

annual holdback payment requirement. Section 27.1, permitting non-payment of holdback in specified circumstances, is repealed and not replaced.

A new section 87.4 deals with transition, and addresses the application of the amendments made by the Schedule to improvements. Subsection 88 (2) is also amended to permit the making of regulations respecting related transitional matters.

Various other amendments are made to the Act, including amendments to subsection 88 (1), respecting the scope of regulation-making authority under the Act.

SCHEDULE 5 CREDIT UNIONS AND CAISSES POPULAIRES ACT, 2020

The *Credit Unions and Caisse Populaires Act, 2020* is amended. Here are some highlights:

Parts IV and VII of the Act are amended to provide that a disclosure of information to the Chief Executive Officer made under either of those Parts does not constitute a waiver of solicitor-client privilege.

New section 129.1 requires a credit union to notify the Chief Executive Officer when an auditor resigns, is replaced or is removed from office.

Part X of the Act is amended to give the Chief Executive Officer additional examination powers and the power to issue summonses in certain circumstances.

New section 234.1 gives the Chief Executive Officer the power to make resolution orders in respect of credit unions that are subject to administration by the Chief Executive Officer. These orders may stay early termination under a contract, prevent the termination of a credit union's membership in an organization, stay proceedings and prevent the payment of certain amounts to the credit union's directors and other executives.

SCHEDULE 6 EMPLOYER HEALTH TAX ACT

The Schedule amends the *Employer Health Tax Act* to do the following:

1. Modify the manner by which the exemption amount for associated eligible employers is determined for a year beginning after December 31, 2024.
2. Remove the exemption that currently allows employers who paid or will pay the total Ontario remuneration for a year during one month in the year not to pay instalments on account of tax payable for the year.
3. Provide that the deadline for delivering an annual return for a year is March 15 of the following year (as opposed to the current rule of a prescribed date applicable to the taxpayer).
4. Establish a mechanism to allow taxpayers to request that the Minister assess the tax payable in respect of a year and to allow the Minister to refund any amount that the Minister determines to be an overpayment of tax.

SCHEDULE 7 FUEL TAX ACT

Clause 2 (1.1) (a) of the *Fuel Tax Act* currently provides for a reduction of the tax payable by purchasers of clear fuel if the tax is payable during the period beginning on July 1, 2022 and ending on December 31, 2024. The clause is amended to provide that the period ends on June 30, 2025.

SCHEDULE 8 GASOLINE TAX ACT

Clause 2 (1.1) (a) of the *Gasoline Tax Act* currently provides for a reduction of the tax payable by purchasers of gasoline if the tax is payable during the period beginning on July 1, 2022 and ending on December 31, 2024. The clause is amended to provide that the period ends on June 30, 2025.

SCHEDULE 9 IGAMING ONTARIO ACT, 2024

iGaming Ontario is a subsidiary of the Alcohol and Gaming Commission of Ontario under Ontario Regulation 722/21 (Lottery Subsidiary – iGaming Ontario) made under the *Alcohol and Gaming Commission of Ontario Act, 2019*. The Schedule revokes the Regulation and enacts the *iGaming Ontario Act, 2024*, which continues iGaming Ontario as a corporation without share capital that is not a subsidiary of the Commission. The *Alcohol and Gaming Commission of Ontario Act, 2019* and the *Gaming Control Act, 1992* are amended to remove references to a lottery subsidiary.

The *Alcohol and Gaming Commission of Ontario Act, 2019* is also amended to re-enact provisions relating to personal immunity from civil liability and to the Commission's powers respecting the hiring of employees and officers, and to make other amendments. Section 48 of the *Cannabis Licence Act, 2018*, respecting personal immunity, is consequentially repealed.

**SCHEDULE 10
INSURANCE ACT**

The Schedule amends the *Insurance Act*. Here are some highlights:

New Part XIV.1 of the Act establishes licensing requirements for managing general agents licensed for classes of life insurance and accident and sickness insurance. Related amendments are made to the Act and provision is also made for rules to be made by the Authority.

The Act is amended to provide that regulations may be made governing excess insurance in the context of statutory accident benefits.

The Schedule also includes various amendments to the Act relating to the delivery of certain notices by insurers.

Technical amendments are made to the French version of the Act.

**SCHEDULE 11
INTERIM APPROPRIATION FOR 2025-2026 ACT, 2024**

The Schedule enacts the *Interim Appropriation for 2025-2026 Act, 2024*, which authorizes expenditures pending the voting of supply for the fiscal year ending on March 31, 2026 up to specified maximum amounts. All expenditures made or recognized under the Act must be charged to the proper appropriation following the voting of supply for the fiscal year ending on March 31, 2026.

**SCHEDULE 12
MINISTRY OF TRAINING, COLLEGES AND UNIVERSITIES ACT**

The Schedule adds a provision to the *Ministry of Training, Colleges and Universities Act* providing that, when admitting students into a medical health education program, publicly-assisted universities must ensure that at least 95 per cent of students admitted are ordinarily resident in Ontario and the remainder of the students admitted must be a Canadian citizen, a permanent resident, a protected person or a prescribed person or belong to a class of prescribed persons. Two exceptions to this rule are set out; namely if a different percentage has been prescribed in the regulations or if there is an insufficient number of qualified applicants who are ordinarily resident in Ontario.

**SCHEDULE 13
MUNICIPAL ACT, 2001**

The Schedule amends the *Municipal Act, 2001* by adding a new section 338.4.1, which authorizes the disclosure of specified tax information by the Minister of Finance or a person authorized by the Minister of Finance to municipalities and by municipalities to the Minister of Finance.

**SCHEDULE 14
ONTARIO LOTTERY AND GAMING CORPORATION ACT, 1999**

The Schedule makes various amendments to the *Ontario Lottery and Gaming Corporation Act, 1999* in relation to certain approvals contemplated by the Act.

**SCHEDULE 15
SUPPLEMENTARY INTERIM APPROPRIATION FOR 2024-2025 ACT, 2024**

The Schedule enacts the *Supplementary Interim Appropriation for 2024-2025 Act, 2024*, which authorizes expenditures pending the voting of supply for the fiscal year ending on March 31, 2025 up to specified maximum amounts. The expenditures authorized are in addition to those authorized under the *Interim Appropriation for 2024-2025 Act, 2023*. All expenditures made or recognized under the *Interim Appropriation for 2024-2025 Act, 2023* and this Act must be charged to the proper appropriation following the voting of supply for the fiscal year ending on March 31, 2025.

**SCHEDULE 16
TAXATION ACT, 2007**

The Schedule makes the following amendments to the *Taxation Act, 2007*:

1. Amendments are made to the calculation of an individual's carryforward amount in respect of minimum tax for taxation years ending after December 31, 2024 and to an individual's minimum tax, for taxation years ending after December 31, 2023. (See new subsections 15 (4) and 19.2 (3.1) of the Act.)
2. Amendments are made to the determination of an individual's gross tax amount for a taxation year, which is used to determine the individual's Ontario surtax. The amendment is made retroactive to April 19, 2016. (See subsection 16 (2) of the Act.)
3. A new Part is added to the Act that would provide for a taxpayer rebate of \$200 to an individual who satisfies certain conditions, including that the individual was a resident of Ontario on or before December 31, 2023 and that they filed

their 2023 taxes before December 31, 2024. Eligible individuals may also be entitled to a child rebate in respect of qualified dependants or children. (See new Part IV.0.0.1 of the Act.)

4. Amendments are made with respect to the application of the *Income Tax Act* (Canada) to the Ontario child benefit for deaths of qualified dependants that occur after 2024. (See new subsection 104 (2.1) of the Act.)
5. A number of amendments are made to the general anti-avoidance rule (GAAR) as well as introducing a new penalty applicable to transactions subject to the GAAR. These amendments, and their effective dates, parallel amendments that have been made to the general anti-avoidance rule in the *Income Tax Act* (Canada). (See section 110 of the Act.)
6. Amendments are made with respect to the application of the *Income Tax Act* (Canada) to disclosure requirements. These amendments are effective for transactions that occur on or after June 22, 2023 for “notifiable transactions”, and for taxation years ending after June 22, 2023 for “uncertain tax treatments”. (See new sections 110.2 and 110.3 of the Act.)
7. An amendment is made to provide that a taxpayer has a right to appeal a penalty applicable to transactions subject to the GAAR. (See subsection 125 (2) of the Act.)

An Act to implement Budget measures and to enact and amend various statutes

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His Majesty, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

Contents of this Act

1 This Act consists of this section, sections 2 and 3 and the Schedules to this Act.

Commencement

2 (1) Except as otherwise provided in this section, this Act comes into force on the day it receives Royal Assent.

(2) The Schedules to this Act come into force as provided in each Schedule.

(3) If a Schedule to this Act provides that any provisions are to come into force on a day to be named by proclamation of the Lieutenant Governor, a proclamation may apply to one or more of those provisions, and proclamations may be issued at different times with respect to any of those provisions.

Short title

3 The short title of this Act is the *Building Ontario For You Act (Budget Measures), 2024*.

**SCHEDULE 1
ASSESSMENT ACT**

1 Subparagraphs 4.0.1 i to iii of subsection 3 (1) of the *Assessment Act* are repealed and the following substituted:

- i. the university is a not-for-profit corporation without share capital,
- ii. the land is used,
 - A. to provide residential accommodation for students of the university, or
 - B. for administrative, educational or research purposes or such other purposes as may be prescribed by the Minister,
- iii. in the case of land used for a purpose mentioned in sub-subparagraph ii B, the land forms part of the main campus of the university, and

Commencement

2 This Schedule comes into force on the later of January 1, 2025 and the day the *Building Ontario For You Act (Budget Measures), 2024* receives Royal Assent.

SCHEDULE 2
CANADIAN PUBLIC ACCOUNTABILITY BOARD ACT (ONTARIO), 2006

1 (1) Subsection 11 (2) of the *Canadian Public Accountability Board Act (Ontario), 2006* is amended by striking out “and may not be disclosed” in the portion before clause (a) and substituting “and, except as permitted by subsection (2.1), may not be disclosed”.

(2) Section 11 of the Act is amended by adding the following subsections:

Exception

(2.1) If the Board conducts an inspection of a participating audit firm, the Board or any of its employees or agents may, as permitted by the Board’s rules,

- (a) disclose any findings from the inspection that relate to an audit of a reporting issuer to the reporting issuer and the participating audit firm; and
- (b) disclose to the public any information from the final version of any report setting out the results of the inspection.

Limits on disclosure

(2.2) Before disclosing any information from a report to the public under clause (2.1) (b), the Board or its employees or agents shall remove from the report,

- (a) any privileged information or information based on privileged information or documents; and
- (b) any specific information relating to the business, affairs or financial condition of a participating audit firm or of the client of any participating audit firm that was collected by the Board under subsection (1), except to the extent that the disclosure of the information is authorized in writing by all persons and companies whose interests might reasonably be affected by the disclosure.

Commencement

2 This Schedule comes into force on the day the *Building Ontario For You Act (Budget Measures), 2024* receives Royal Assent.

**SCHEDULE 3
CITY OF TORONTO ACT, 2006**

1 The *City of Toronto Act, 2006* is amended by adding the following section:

Sharing of tax information

302.4 (1) In this section,

“land transfer tax information” means information obtained by the Minister of Finance in the administration or enforcement of the *Land Transfer Tax Act*; (“renseignements sur les droits de cession immobilière”)

“personal information” has the same meaning as in the *Freedom of Information and Protection of Privacy Act*; (“renseignements personnels”)

“vacant units tax information” means information obtained by the City in the administration or enforcement of a by-law mentioned in subsection 302.1 (1). (“renseignements sur l’impôt sur les logements vacants”)

Disclosure

(2) The Minister of Finance, or a person authorized by the Minister of Finance, may disclose to the City land transfer tax information that relates to conveyances of land in the City, and the City may disclose vacant units tax information to the Minister of Finance, if the information to be disclosed is for use by the Minister of Finance or the City, as the case may be, for any of the following purposes:

1. The administration or enforcement of a tax.
2. The development or evaluation of economic, fiscal or tax policy.

Personal information

(3) The Minister of Finance, a person authorized by the Minister of Finance or the City may collect and disclose personal information under subsection (2).

Limits on collection

(4) The Minister of Finance, a person authorized by the Minister of Finance or the City shall not collect more personal information under this section than is reasonably necessary to serve the purpose of the collection.

Notice

(5) The notice required by subsection 39 (2) of the *Freedom of Information and Protection of Privacy Act* or subsection 29 (2) of the *Municipal Freedom of Information and Protection of Privacy Act* may be given by a public notice posted on,

- (a) if personal information is being collected by the Minister of Finance, a website of the Government of Ontario; or
- (b) if personal information is being collected by the City, a website of the City.

Commencement

2 This Schedule comes into force on the day the *Building Ontario For You Act (Budget Measures), 2024* receives Royal Assent.

**SCHEDULE 4
CONSTRUCTION ACT**

1 (1) Subclause (a) (ii) of the definition of “price” in subsection 1 (1) of the *Construction Act* is amended by adding “except as otherwise provided by the regulations” after “under the contract or subcontract”.

(2) The definition of “written notice of a lien” in subsection 1 (1) of the Act is repealed and the following substituted:

“written notice of a lien” means,

- (a) a written notice of a lien in the prescribed form, given by a person having a lien, or
- (b) a copy of a claim for lien registered under clause 34 (1) (a) or given under clause 34 (1) (b). (“avis écrit d’un privilège”)

(3) Section 1 of the Act is amended by adding the following subsection:

Multiple improvements under a contract

(5) For the purposes of this Act, if more than one improvement is to be made under a contract and each of the improvements is to lands that are not contiguous, then, if the contract so provides, each improvement is deemed to be under a separate contract.

2 Paragraph 2 of subsection 1.1 (2.2) of the Act is amended by striking out “is listed as an adjudicator in the registry established under clause 13.3 (1) (c), request that the representative conduct the adjudication, in which case subsections 13.9 (2) and (3) do not apply” at the end and substituting “is an adjudicator under Part II.1, request that the representative conduct the adjudication, in which case subsections 13.9 (2), (2.1) and (3) do not apply”.

3 Subsection 2 (4) of the Act is repealed.

4 The English version of clause 6 (2) (b) of the Act is repealed and the following substituted:

- (b) the placement of an owner’s name in the wrong portion of a claim for lien.

5 (1) Paragraphs 2, 3 and 6 of the definition of “proper invoice” in section 6.1 of the Act are repealed and the following substituted:

- 2. The date of the invoice and the period, milestone or other contractual payment entitlement to which the invoice relates.
- 3. Information identifying the contract or other authorization under which the services or materials were supplied, such as a contract number, contract line item number or purchase order number.
- 4.
- 6. The name, title, mailing address and telephone number of the person to whom payment is to be sent or, if payment is to be sent to an office or department, its name, mailing address and telephone number.
- 6.1 Any other information that is necessary for the proper functioning of the owner’s accounts payable system that the owner reasonably requests.

(2) Section 6.1 of the Act is amended by adding the following subsection:

Deemed to be a proper invoice

(2) An invoice that does not meet the requirements referred to in the definition of “proper invoice” in subsection (1) is deemed to be a proper invoice for the purposes of this Part unless, no later than seven days after receiving the invoice, the owner notifies the contractor in writing of the deficiency and of what is required to address it.

6 (1) Clause 6.3 (5) (c) of the Act is repealed and the following substituted:

- (c) the proper invoice, as revised, would meet the requirements referred to in the definition of “proper invoice” in subsection 6.1 (1).

(2) Section 6.3 of the Act is amended by adding the following subsection:

Deeming

(6) For the purposes of clause (5) (c), subsection 6.1 (2) applies with necessary modifications with respect to a revised invoice.

7 Subsection 7 (1) of the Act is amended by adding “and any amount that is required to be retained by the owner as a holdback” after “and the payment of prior encumbrances”.

8 Subsection 8 (1) of the Act is amended by adding “including any holdback amount that is owed to or received by the contractor or subcontractor” after “on account of the contract or subcontract price of an improvement” in the portion after clause (b).

9 Section 10 of the Act is amended by adding the following subsection:

Same

(2) For greater certainty, subsection (1) applies with respect to the payment of holdback in accordance with section 26 or 27.

10 (1) The definition of “adjudication” in section 13.1 of the Act is amended by striking out “with respect to a matter referred to in section 13.5” at the end.

(2) The definition of “adjudicator” in section 13.1 of the Act is repealed and the following substituted:

“adjudicator” means a registry adjudicator or a private adjudicator; (“arbitre intérimaire”)

(3) Section 13.1 of the Act is amended by adding the following definitions:

“private adjudicator” means a person who is qualified by the Authority as a private adjudicator; (“arbitre intérimaire privé”)

“registry adjudicator” means a person who is qualified by the Authority as a registry adjudicator. (“arbitre intérimaire du registre”)

11 (1) Clauses 13.3 (1) (a) to (d) of the Act are repealed and the following substituted:

- (a) develop and oversee programs for the training of persons as registry adjudicators and as private adjudicators;
- (b) qualify persons who meet the prescribed requirements as registry adjudicators and as private adjudicators;
- (c) establish and maintain a publicly available registry of registry adjudicators;
- (d) appoint registry adjudicators for the purposes of subsection 13.9 (5); and

(2) Clause 13.3. (2) (a) of the Act is amended by striking out “for the appointment of adjudicators” and substituting “for the appointment of registry adjudicators, but not including for the appointment of private adjudicators”.

12 (1) Subsections 13.5 (1) to (3) of the Act are repealed and the following substituted:

Availability of adjudication

Contract

(1) Subject to subsection (3), a party to a contract may refer a dispute with the other party to the contract respecting any prescribed matter or any matter agreed to by the parties to adjudication.

Subcontract

(2) Subject to subsection (3.1), a party to a subcontract may refer a dispute with the other party to the subcontract respecting any prescribed matter or any matter agreed to by the parties to adjudication.

Expiry of adjudication period, contract

(3) An adjudication in respect of a contract may not be commenced if the notice of adjudication is given more than 90 days after the date on which the contract is completed, abandoned or terminated, unless the parties to the adjudication agree otherwise.

Expiry of adjudication period, subcontract

(3.1) An adjudication in respect of a subcontract may not be commenced if the notice of adjudication is given more than 90 days after the earliest of,

- (a) the date referred to in subsection (3);
- (b) the date on which the subcontract is certified to be completed under section 33; and
- (c) the date on which the subcontractor last supplies services or materials to the improvement.

Other disputes

(3.2) If the regulations so provide, a party to a contract or subcontract may, subject to any conditions or restrictions that may be specified by the regulations, refer a dispute with a party to another contract or subcontract for the same improvement respecting any prescribed matter to adjudication, in accordance with the regulations.

(2) Subsection 13.5 (4) of the Act is amended by striking out “matter” and substituting “dispute”.

(3) Subsection 13.5 (5) of the Act is amended by striking out “matter” wherever it appears and substituting in each case “dispute”.

13 (1) Subsection 13.7 (1) of the Act is amended by striking out “shall give” in the portion before clause (a) and substituting “shall, except as provided by the regulations, give”.

(2) Subsection 13.7 (1) of the Act is amended by striking out “and” at the end of clause (c), by adding “and” at the end of clause (d) and by adding the following clause:

- (e) the date, nature and substance of any previous adjudication in which the party was involved in respect of the contract or subcontract, including a copy of any determination made by the adjudicator.

14 Subsection 13.8 (2) of the Act is repealed and the following substituted:

May be required

(2) If the parties do not agree to a consolidated adjudication, any of the parties may, with the agreement of the adjudicators of the separate adjudications and in accordance with the regulations, nevertheless require the consolidation of the adjudications.

15 (1) Subsection 13.9 (1) of the Act is amended by striking out “listed in the registry established under clause 13.3 (1) (c)” at the end.

(2) Subsection 13.9 (2) of the Act is repealed and the following substituted:

Registry adjudicator

(2) The parties to the adjudication may agree to a registry adjudicator or may request that the Authority appoint one.

Private adjudicator

(2.1) The parties to the adjudication may agree to a private adjudicator if the prescribed conditions are met.

(3) Subsection 13.9 (4) of the Act is repealed and the following substituted:

Requirement to request appointment

(4) If a registry adjudicator to which the parties have agreed does not consent to conduct the adjudication within four days after the notice of adjudication is given, the party who gave the notice shall request that the Authority appoint a registry adjudicator.

(4) Subsection 13.9 (5) of the Act is amended by striking out “an adjudicator” and substituting “a registry adjudicator”.

16 (1) Subsection 13.10 (1) of the Act is repealed and the following substituted:

Adjudicator fee

(1) The adjudicator shall be paid the fee determined under subsection (2) or (2.1), in accordance with the regulations and any direction given by the Authority.

(2) Subsection 13.10 (2) of the Act is amended by striking out “adjudicator” wherever it appears and substituting in each case “registry adjudicator”.

(3) Section 13.10 of the Act is amended by adding the following section:

Same

(2.1) The fee payable to a private adjudicator is the fee agreed to by the adjudicator and the parties to the adjudication.

17 Paragraph 6 of subsection 13.12 (1) of the Act is repealed and the following substituted:

6. Making determinations in the adjudication, which may include a determination as to whether a matter may be the subject of an adjudication, whether the adjudicator has jurisdiction to conduct the adjudication or whether the adjudicator has exceeded their jurisdiction in the conduct of the adjudication.

18 The Act is amended by adding the following section:

Objection on jurisdictional grounds

13.12.1 (1) A party may object to the adjudicator’s jurisdiction to conduct the adjudication, or on the basis that the adjudicator has exceeded their jurisdiction in the conduct of the adjudication.

Timing

(2) An objection shall be made,

- (a) in the case of an objection as to whether a matter may be the subject of an adjudication or to an adjudicator’s jurisdiction to conduct the adjudication, when the party first makes submissions in the adjudication; and
- (b) in the case of an objection that an adjudicator has exceeded their jurisdiction, as soon as the matter allegedly beyond the adjudicator’s jurisdiction is raised in the adjudication.

Extension

(3) The adjudicator may extend the time for making an objection, if the adjudicator considers the delay justified.

19 Section 13.14 of the Act is amended by striking out “the payment of the adjudicator’s fee” at the end and substituting “the payment of any outstanding adjudicator’s fee in accordance with the regulations made for the purposes of subsection 13.10 (1)”.

20 Section 13.17 of the Act is amended by adding “or of the adjudication” after “in respect of the improvement”.

21 The Act is amended by adding the following section:

Corrections

13.17.1 (1) No later than five days after a determination has been communicated to the parties to the adjudication, an adjudicator may, on their own initiative or at a party's written request,

- (a) correct typographical errors, errors of calculation and similar errors in the determination; or
- (b) amend the determination to correct an injustice caused by an oversight on the adjudicator's part.

Hearing not required

(2) An adjudicator may make a determination under subsection (1) without holding a hearing.

22 (1) Subsection 13.18 (2) of the Act is amended by striking out "30" and substituting "35".

(2) Paragraph 2 of subsection 13.18 (5) of the Act is repealed.

(3) Section 13.18 of the Act is amended by adding the following subsection:

Exception

(5.1) If the ground alleged under subsection (5) for setting aside the determination could have been raised as an objection under section 13.12.1, the court may set the determination aside on that ground only if it considers the applicant's failure to make the objection justified.

23 (1) Subsection 13.19 (2) of the Act is amended by striking out "10" and substituting "15".

(2) Subsection 13.19 (3) of the Act is amended by striking out "if the contract or subcontract" and substituting "if a contract or subcontract between the parties".

(3) Subsection 13.19 (5) of the Act is amended by striking out "under a determination is not paid by the party" and substituting "under a determination respecting a dispute between the parties to a contract or subcontract is not paid by a party".

24 Section 14 of the Act is amended by adding the following subsection:

Supply of design, etc.

(4) If an owner retains a holdback in respect of the supply of a design, plan, drawing or specification for the making of a planned improvement that is not commenced, subsection (1) is deemed to apply with respect to the supply of the design, plan, drawing or specification, unless the owner proves that the value of the owner's interest in land has not been enhanced.

25 Subsection 22 (1) of the Act is amended by adding "in respect of the supplied services or materials" after "that may be claimed against the holdback".

26 Sections 26 to 27.1 of the Act are repealed and the following substituted:

Payment of basic holdback

26 (1) A payer who is required by subsection 22 (1) to retain a holdback shall make payment of the holdback in accordance with this section.

Mandatory annual payment

(2) Following each anniversary of the date on which the contract was entered into, the owner shall,

- (a) give notice in accordance with subsection (3); and
- (b) make payment of accrued holdback under subsection 22 (1) in accordance with subsection (4).

Notice

(3) Not later than 14 days after the anniversary, the owner shall publish a notice of annual release of holdback in the prescribed form specifying the amount of holdback that the owner intends to pay under subsection (4) and the intended payment date.

Payment by owner

(4) Not later than 14 days after the expiry of the lien period under subsection 31 (2), the owner shall make payment to the contractor of all of the accrued holdback in respect of services or materials supplied by the contractor during the year immediately preceding the anniversary, unless a lien has been preserved or perfected in respect of the contract, and,

- (a) if the lien attaches to the premises,
 - (i) the lien has not been discharged under clause 41 (1) (a), and
 - (ii) an order declaring that the lien has expired, discharging the lien or vacating the registration of the claim for lien or the certificate of action has not been registered under section 49; or
- (b) if the lien does not attach to the premises,

- (i) the lien has not been satisfied,
- (ii) the lien has not been discharged under clause 41 (1) (b), and
- (iii) an order declaring that the lien has expired or vacating the lien has not been made.

Payment by contractor

(5) Not later than 14 days after receiving payment of a holdback under subsection (4), the contractor shall make payment to a subcontractor of all of the accrued holdback in respect of the services or materials supplied by the subcontractor during the year described in that subsection, unless a lien has been preserved or perfected in respect of the subcontract and the circumstances set out in clause (4) (a) or (b) apply in respect of the lien.

Payment by subcontractor

(6) Subsection (5) applies, with necessary modifications, with respect to a holdback retained by a subcontractor in respect of a subcontract with another subcontractor.

Payment once circumstances cease to apply

(7) A payer shall make payment of a holdback that was not payable under subsection (4), (5) or (6) not later than 14 days after the circumstances preventing payment cease to apply.

Payment of holdback not otherwise paid

(8) A payer shall make payment of all holdback that is not paid or payable under subsections (4) to (7) after all liens that may be claimed against the holdback required to be retained under subsection 22 (1) have expired or been satisfied, discharged or otherwise provided for under this Act, in accordance with the following rules:

1. The owner shall make payment of the holdback to the contractor not later than 14 days after the liens have expired or been satisfied, discharged or otherwise provided for under this Act.
2. The contractor shall make payment of a holdback to a subcontractor not later than 14 days after receiving payment of a holdback from the owner.
3. A subcontractor shall make payment of a holdback to a subcontractor not later than 14 days after receiving payment of a holdback from the contractor or from another subcontractor, as the case may be.

Effect on holdback requirement

(9) A payment made in accordance with this section reduces the amount required to be retained by the payer under subsection 22 (1) to the extent of the amount paid.

Payment of holdback for finishing work

27 A payer who is required by subsection 22 (2) to retain a holdback shall make payment of the holdback so as to discharge all claims in respect of that holdback, once all liens that may be claimed against that holdback have expired or been satisfied, discharged or otherwise provided for under this Act.

27 Subsections 31 (2) to (7) of the Act are repealed and the following substituted:

Expiry in relation to notice of annual release of holdback

(2) A lien arising from the supply of services or materials to an improvement that are included in a notice of annual release of holdback published in accordance with section 26 expires on the 60th day after the date the notice is published.

Other expiry, contractor's lien

(3) If the lien of a contractor does not expire under subsection (2), the lien expires on the 60th day after the following date, subject to subsection (6):

1. For services or materials supplied to an improvement on or before the date certified or declared to be the date of the substantial performance of the contract, the earlier of,
 - i. the date on which a copy of the certificate or declaration of the substantial performance of the contract is published as provided in section 32, and
 - ii. the date the contract is completed, abandoned or terminated.
2. For services or materials supplied to the improvement where there is no certification or declaration of the substantial performance of the contract, or for services or materials supplied to the improvement after the date certified or declared to be the date of substantial performance, the earlier of,
 - i. the date the contract is completed, and
 - ii. the date the contract is abandoned or terminated.

Other expiry, workers' trust fund lien

(4) If the lien of the trustee of a workers' trust fund on behalf of a worker or workers does not expire under subsection (2), the lien expires on the 60th day after the following date, subject to subsection (6):

1. For services or materials supplied to an improvement on or before the date certified or declared to be the date of the substantial performance of the contract, the earliest of,
 - i. the date on which a copy of the certificate or declaration of the substantial performance of the contract is published, as provided in section 32,
 - ii. the date on which the final worker who is a beneficiary of the workers' trust fund last supplies services or materials to the improvement,
 - iii. the date the contract is completed, abandoned or terminated, and
 - iv. the date a subcontract is certified to be completed under section 33, where the services or materials were supplied under or in respect of that subcontract.
2. For services or materials supplied to the improvement where there is no certification or declaration of the substantial performance of the contract, or for services or materials supplied to the improvement after the date certified or declared to be the date of the substantial performance of the contract, the earliest of,
 - i. the date on which the final worker who is a beneficiary of the workers' trust fund last supplied services or materials to the improvement,
 - ii. the date the contract is completed, abandoned or terminated, and
 - iii. the date a subcontract is certified to be completed under section 33, where the services or materials were supplied under or in respect of that subcontract.

Other expiry, lien of other person

(5) If the lien of any other person does not expire under subsection (2), the lien expires on the 60th day after the following date, subject to subsection (6):

1. For services or materials supplied to an improvement on or before the date certified or declared to be the date of the substantial performance of the contract, the earliest of,
 - i. the date on which a copy of the certificate or declaration of the substantial performance of the contract is published, as provided in section 32,
 - ii. the date on which the person last supplies services or materials to the improvement,
 - iii. the date the contract is completed, abandoned or terminated, and
 - iv. the date a subcontract is certified to be completed under section 33, where the services or materials were supplied under or in respect of that subcontract.
2. For services or materials supplied to the improvement where there is no certification or declaration of the substantial performance of the contract, or for services or materials supplied to the improvement after the date certified or declared to be the date of the substantial performance of the contract, the earliest of,
 - i. the date on which the person last supplied services or materials to the improvement,
 - ii. the date the contract is completed, abandoned or terminated, and
 - iii. the date a subcontract is certified to be completed under section 33, where the services or materials were supplied under or in respect of that subcontract.

Separate liens when ongoing supply

(6) If a person has supplied services or materials to an improvement,

- (a) on or before the date the owner publishes a notice of annual release of holdback in accordance with section 26 and has also supplied, or is to supply, services or materials after that date, the person's lien in respect of the services or materials supplied on or before the publication date expires without affecting any lien that the person may have for the supply of services or materials after that date; and
- (b) on or before the date certified or declared to be the date of the substantial performance of the contract and has also supplied, or is to supply, services or materials after that date, the person's lien in respect of the services or materials supplied on or before the date of substantial performance expires without affecting any lien that the person may have for the supply of services or materials after that date.

Declaration of last supply

(7) If a person who has supplied services or materials under a contract or subcontract makes a declaration in the prescribed form that declares the following facts, those facts are deemed to be true against the person making the declaration:

1. The date on which the person last supplied services or materials under that contract or subcontract.
2. That the person will not supply any further services or materials under that contract or subcontract.

Notice of termination

(8) No later than seven days after a contract is terminated, either the owner or the contractor or other person whose lien is subject to expiry shall publish a notice of the termination in the prescribed form and manner.

Effect of notice

(9) If a notice of termination is published in accordance with subsection (8) in respect of a contract, the date on which the contract was terminated is, for the purposes of this section, the date on which the notice was published or, if more than one notice is published in accordance with that subsection, the date on which the first of the notices was published.

Validity of termination

(10) Subsection (9) does not prevent a person from contesting the validity of a termination.

28 Subsection 34 (10) of the Act is repealed.

29 Paragraph 1 of subsection 39 (1) of the Act is amended by striking out “and” at the end of subparagraph v, by adding “and” at the end of subparagraph vi and by adding the following subparagraph:

- vii. a statement of whether more than one improvement is to be made under a contract and each of the improvements is to lands that are not contiguous.

30 Section 50 of the Act is amended by adding the following subsection:

Joinder

(4) For greater certainty, the procedures prescribed for the purposes of this Part may provide for the joinder of a lien claim with another claim in an action, in which case this Part applies with respect to the other claim as it does to the lien claim.

31 The Act is amended by adding the following section:

Transition, *Building Ontario For You Act (Budget Measures), 2024*

87.4 (1) This section,

- (a) does not apply with respect to an improvement to which subsection 87.3 (1) applies; and
- (b) does not affect the operation of subsection 87.3 (4).

Immediate application

(2) An amendment made to this Act by Schedule 4 to the *Building Ontario For You Act (Budget Measures), 2024* applies with respect to an improvement on and after the day the amending provision comes into force, except as otherwise provided by this section.

Exception, s. 14 (4)

(3) Subsection 14 (4) does not apply if the owner retained the holdback in respect of the supply of a design, plan, drawing or specification before the day section 24 of Schedule 4 to the *Building Ontario For You Act (Budget Measures), 2024* came into force.

Exception, s. 26

(4) If a contract for an improvement was entered into before the day section 26 of Schedule 4 to the *Building Ontario For You Act (Budget Measures), 2024* comes into force, section 26 of this Act, as re-enacted by that section, applies with the following modifications:

1. The first contract anniversary date to which section 26 applies is the second anniversary of the day the contract was entered into that follows the day on which section 26 of Schedule 4 to the *Building Ontario For You Act (Budget Measures), 2024* comes into force.
2. A requirement to make payment of holdback under subsections 26 (4) to (7) in respect of the first contract anniversary date to which section 26 applies includes all holdback accrued before that date.
3. Paragraphs 1 and 2 apply with respect to a contract for an improvement regardless of any other contract or subcontract for the improvement that may be entered into on or after the day section 26 of Schedule 4 to the *Building Ontario For You Act (Budget Measures), 2024* comes into force.

Same, application of s. 31 (2)

(5) Subsection 31 (2), as re-enacted by section 27 of Schedule 4 to the *Building Ontario For You Act (Budget Measures), 2024*, applies with respect to the supply of all services or materials to an improvement that are included in the first notice of annual release of holdback published in accordance with section 26 and subsection (4).

Exception, s. 31 (6) and (7)

(6) Subsections 31 (6) and (7), as they read before the day section 27 of Schedule 4 to the *Building Ontario For You Act (Budget Measures), 2024* came into force, continue to apply with respect to a notice of termination that was published in accordance with subsection 31 (6) before that day.

Exception, s. 34 (10)

(7) Subsection 34 (10), as it read before the day section 28 of Schedule 4 to the *Building Ontario For You Act (Budget Measures), 2024* came into force, continues to apply with respect to a lien if a notice of adjudication respecting a matter that is the subject of the lien was given under section 13.7 before that day.

32 (1) Subsection 88 (1) of the Act is amended by adding the following clause:

(b.1) for the purposes of subclause (a) (ii) of the definition of “price” in subsection 1 (1), prescribing amounts or methods of determining amounts that apply instead of the actual market value of the services or materials that have been supplied to the improvement under the contract or subcontract;

(2) Clause 88 (1) (e) of the Act is repealed and the following substituted:

(e) governing the setting and payment of fees, costs and charges by the Authorized Nominating Authority under clause 13.3 (2) (a), including, for greater certainty, providing for matters in respect of which the Authority may not set a fee, cost or charge;

(e.1) prescribing fees for the appointment of adjudicators and requiring their payment;

(3) Subsection 88 (1) of the Act is amended by adding the following clause:

(g.1) for the purposes of subsection 13.5 (3.2), providing that a party to a contract or subcontract may refer a dispute with a party to another contract or subcontract respecting a matter specified by the regulations to adjudication, specifying conditions to or restrictions on the making of such a referral and governing the making of the referral;

(4) Clause 88 (1) (i.1) of the Act is repealed and the following substituted:

(i.1) governing the payment of adjudicator fees under section 13.10, and the determination of fees by the Authorized Nominating Authority under clause 13.10 (2) (b);

(5) Subsection 88 (1) of the Act is amended by adding the following clause:

(j.1) requiring that the Authorized Nominating Authority make adjudication determinations publicly available, subject to the removal of identifying information, and governing the making of determinations publicly available and the removal of identifying information for the purpose;

(6) Subsection 88 (2) of the Act is amended by striking out “the *Construction Lien Amendment Act, 2017*” at the end and substituting “Schedule 4 to the *Building Ontario For You Act (Budget Measures), 2024*”.

Commencement

33 This Schedule comes into force on a day to be named by proclamation of the Lieutenant Governor.

**SCHEDULE 5
CREDIT UNIONS AND CAISSES POPULAIRES ACT, 2020**

1 Section 1 of the *Credit Unions and Caisses Populaires Act, 2020* is amended by adding the following definition:

“requirement under this Act” means a requirement imposed by this Act or by a regulation or an Authority rule, or a requirement imposed by order; (“exigence prévue par la présente loi”)

2 Section 68 of the Act is amended by adding the following subsection:

Notice

(5) A credit union shall notify the Chief Executive Officer in writing if it issues securities under clause (1) (c).

3 The Act is amended by adding the following section:

NO WAIVER

No waiver

76.1 A disclosure to the Chief Executive Officer by a credit union, or by a person who controls a credit union or by an entity that is affiliated with a credit union, of any information required under this Part does not constitute a waiver of solicitor-client privilege.

4 Section 81 of the Act is repealed and the following substituted:

Valuation of asset

81 (1) If the Chief Executive Officer has appraised the fair market value of an asset held by a credit union or a subsidiary and the fair market value determined by the Chief Executive Officer varies materially from the value placed by the credit union or subsidiary on the asset, the Chief Executive Officer shall send to the credit union, its auditor and its audit committee a written notice of the fair market value of the asset as determined by the Chief Executive Officer and may make an order requiring the credit union to adjust the value of the asset accordingly.

Procedural rules

(2) Section 209 applies with respect to an order under this section.

Appeal to Tribunal

(3) A credit union that is subject to an order under this section may appeal the order to the Tribunal in accordance with section 212.

5 The Act is amended by adding the following section:

Notice re resignation, etc.

129.1 A credit union shall promptly notify the Chief Executive Officer when an auditor resigns, is replaced or is removed from office and shall inform the Chief Executive Officer of the reasons.

6 The Act is amended by adding the following section:

NO WAIVER

No waiver

174.1 A disclosure to the Chief Executive Officer by a credit union, or by a person who controls a credit union or by an entity that is affiliated with a credit union, of any information required under this Part does not constitute a waiver of solicitor-client privilege.

7 Section 201 of the Act is amended by adding the following subsection:

Entry into dwelling

(7) The Chief Executive Officer or designate shall not enter the part of a premises, if any, that is used as a dwelling unless the occupant consents to the entry or the Chief Executive Officer or designate is authorized to enter the dwelling by an order made under section 201.1.

8 The Act is amended by adding the following sections:

Inspection order for s. 201 inquiry and examination

201.1 (1) The Chief Executive Officer or a person designated by the Chief Executive Officer may, without notice, apply to a justice of the peace for an order under this section.

Order to enter and examine premises

(2) A justice of the peace may make an order under this subsection authorizing the Chief Executive Officer or designate, as named in the order, to enter premises, other than a part of a premises that is being used as a dwelling, specified in the order and

to exercise any of the powers mentioned in section 201, subject to such restrictions on their exercise as the justice of the peace considers appropriate in the circumstances, if the justice of the peace is satisfied by information under oath that,

- (a) the Chief Executive Officer or designate has been prevented from exercising a right of entry to the premises under section 201 or has been prevented from exercising a power described in section 201; or
- (b) there are reasonable grounds to believe that the Chief Executive Officer or designate will be prevented from exercising a right of entry to the premises under section 201 or will be prevented from exercising a power described in section 201.

Same — dwelling

(3) A justice of the peace may make an order under this subsection authorizing the Chief Executive Officer or designate, as named in the order, to enter a part of a premises that is being used as a dwelling and that is specified in the order and to exercise any of the powers mentioned in section 201, subject to such restrictions on their exercise as the justice of the peace considers appropriate in the circumstances, if the justice of the peace is satisfied by information under oath,

- (a) that it is necessary for the Chief Executive Officer or designate to enter that part of the premises in order to carry out an inquiry or examination under section 201; and
- (b) that,
 - (i) the Chief Executive Officer or designate has been prevented from entering that part of the premises under section 201 or has been prevented from exercising a power described in section 201, or
 - (ii) there are reasonable grounds to believe that the Chief Executive Officer or designate will be prevented from entering that part of the premises under section 201 or will be prevented from exercising a power described in section 201.

Use of force

(4) The person named in the order may call upon police officers for assistance in executing the order and may use whatever force is reasonably necessary to execute the order.

Duty to assist

(5) If, in carrying out an order made under this section, the Chief Executive Officer or designate requires a person to answer questions, to produce a document or record or to provide assistance, the person shall do so in the manner and within the period specified by the Chief Executive Officer or designate.

Receipt for things removed

(6) The Chief Executive Officer or designate shall give a receipt for anything removed for examination and copying and the Chief Executive Officer or designate shall promptly return the thing to the person who produced it.

Expert help

(7) The order may authorize persons who have special, expert or professional knowledge to accompany and assist the person named in the order.

Time of execution

(8) Entry or access under an order shall be made between 6 a.m. and 9 p.m. unless the order specifies otherwise.

Expiry of order

(9) An order shall specify an expiry date, which shall be no later than 30 days after the order is made, but a justice of the peace may extend the order for an additional period of no more than 30 days upon application without notice.

Power to summon persons, etc.

201.2 (1) The Chief Executive Officer may issue a summons where the Chief Executive Officer believes that,

- (a) it is necessary in order to determine whether a person is complying with this Act or a requirement established under this Act; and
- (b) it is, in the circumstances, in the public interest.

Same

(2) A summons issued under subsection (1) may require a person,

- (a) to produce such documents and things as are specified by the Chief Executive Officer; and
- (b) to give such information on oath as the Chief Executive Officer or a person designated by the Chief Executive Officer considers relevant to determining whether a person or entity is complying with a requirement established under this Act.

Identification

(3) Upon request, the Chief Executive Officer shall produce evidence of the Chief Executive Officer's office and a person designated by the Chief Executive Officer shall produce evidence of the person's designation.

Administering oath

(4) The Chief Executive Officer or designate may administer an oath required under this section.

Right to counsel

(5) A person may be represented by counsel when giving information on oath and may claim any privilege to which the person is entitled.

Stated case

(6) If the person does not comply with the summons, the Chief Executive Officer may state a case to the Divisional Court setting out the facts and, after hearing any witnesses who may be produced against or on behalf of that person and after hearing any statement that may be offered in defence, the court may punish the person in the same manner as if the person had been guilty of contempt of the court.

9 (1) Subsection 221 (1) of the Act is repealed and the following substituted:**Preparatory examination**

(1) If the Authority believes that a payment by the Authority under this Act in respect of a deposit held by a credit union is imminent and that it is in the best interest of both the depositors with the credit union and the Authority to make early preparations for the payment, the Authority may examine the records and documents of,

- (a) the credit union and any of its subsidiaries; and
- (b) current and former directors, officers and employees of the credit union and of any of its subsidiaries.

(2) Subsection 221 (3) of the Act is amended by striking out "Section 201 applies" at the beginning and substituting "Sections 201, 201.1 and 201.2 apply".

10 Subsection 234 (1) of the Act is amended by adding the following paragraphs:

- 7. Order the credit union to correct any practices that the Chief Executive Officer believes are contributing to the problem or situation that caused the credit union to be ordered subject to administration.
- 8. Order the credit union and its directors, committee members, officers and employees to not exercise any powers of the credit union or of its directors, committee members, officers and employees.
- 9. Order the credit union not to declare or pay a dividend or to restrict the amount of a dividend to be paid to a rate or amount set by the Chief Executive Officer.
- 10. Make a resolution order under section 234.1.

11 The Act is amended by adding the following section:**Resolution orders**

234.1 (1) The Chief Executive Officer may make a resolution order in respect of a credit union that is subject to an order under section 233 if the following conditions are met:

- 1. The Chief Executive Officer, on reasonable grounds, believes that the risk of failure of the credit union could result in any of the following in Ontario:
 - i. Risks to the credit union or financial services systems or a part thereof.
 - ii. Financial risks to credit union members, financial institutions or other financial intermediaries arising from the credit union's activities as a financial intermediary.
 - iii. Other adverse consequences to the credit union or financial services sector or a part thereof.
- 2. The Chief Executive Officer provides the Minister with a copy of the resolution order that the Chief Executive Officer intends to make and the Minister does not object to the order within one business day of receiving it.

Types of resolution orders

(2) The following types of resolution orders may be made under this section:

- 1. A resolution order in respect of contractual and membership matters, as described in subsection (3).
- 2. A resolution order in respect of proceedings and enforcement, as described in subsection (5).
- 3. A resolution order in respect of the credit union's director and executive compensation, as described in subsection (6).

Order re contractual and membership matters

(3) If a resolution order described in paragraph 1 of subsection (2) is made, no person may terminate or amend any agreement with the credit union or claim an accelerated payment, or forfeiture of the term, under such an agreement, and no person may terminate the credit union's membership in an organization for any of the following reasons:

1. The making of an order under section 233.
2. The deteriorated financial position of the credit union.
3. A non-monetary default, before the resolution order was made, under the agreement by the credit union or any of its affiliates that is remedied within 60 days after the day on which the order is made.
4. A monetary default, before the resolution order was made, under the agreement by the credit union or any of its affiliates that is remedied within 60 days after the day on which the order is made.
5. The making of a resolution order under this section or any change of control or ownership of the credit union, or any of its affiliates, that is related to the making of the resolution order.
6. The transfer to or acquisition by a third party of all or part of the assets or liabilities of the credit union or any of its affiliates.

Agreements overridden

(4) If a resolution order described in paragraph 1 of subsection (2) is made, any term in an agreement entered into before the making of the resolution order is of no force and effect if it has the effect of providing for or permitting anything that, in substance, is contrary to that subsection.

Order re proceedings, enforcement

(5) If a resolution order described in paragraph 2 of subsection (2) is made,

- (a) no action or other civil proceeding before a judicial or quasi-judicial body and no arbitration may be commenced or continued against the credit union;
- (b) no attachment, execution or enforcement by other methods of a judgment or order against the credit union or its assets may take place or continue;
- (c) no creditor of the credit union has any remedy against the credit union or its assets; and
- (d) except in the normal course of clearing and settlement processes, including the consolidation of accounts in respect of those processes, no creditor has any right of set-off or compensation against the credit union.

Order re executive compensation

(6) If a resolution order described in paragraph 3 of subsection (2) is made, the credit union shall not make the following payments to the credit union's directors or executives:

1. Any sum paid as a gift or bonus that,
 - i. was approved by the board before the day the Chief Executive Officer made an administration order under section 233 in respect of the credit union but had not been paid before the day the resolution order was made, and
 - ii. is dependent on the discretion of the board and is not related to hours, production or efficiency.
2. A payment upon the ending of a director or executive's employment that is not a standard term in the employment contracts of the credit union's employees but is a term specifically approved by the board for the employment contract of the director or executive.

Non-application, Authority rules

(7) An Authority rule made for the purposes of section 99 or 106 does not apply with respect to the payments described in subsection (6) of this section.

Conflict

(8) Paragraph 2 of subsection (6) prevails over any other Act, regulation or contractual entitlement while a resolution order described under paragraph 3 of subsection (2) is in effect.

Security agreements, assignments and transfers

(9) Subsections (3) and (4) do not apply in respect of a remedy under, or a stipulation of, a security agreement creating a security interest in assets of a credit union or an agreement assigning or transferring the credit union's right, title or interest in any real property or immovable situated in Canada, including any mortgage or hypothec on that real property or immovable if an obligation secured by the agreement is to the Bank of Canada.

Eligible financial contracts

(10) Nothing in this section prevents the following actions from being taken in accordance with the provisions of an eligible financial contract:

1. The termination or amendment of the contract.
2. The accelerated payment or forfeiture of the term under the contract.
3. The exercise of remedies for a failure to satisfy an obligation under or in connection with the contract, including the payment of an amount payable or delivery of property deliverable, under or in connection with the contract.
4. The netting or setting off or compensation of an amount payable under or in connection with the contract.
5. Any dealing with financial collateral.

Stay — eligible financial contracts

(11) If a resolution order is made under this section, the actions referred to in paragraphs 1, 2 and 5 of subsection (10) shall not be taken by reason only of any of the following:

1. The making of an order under section 233.
2. The deteriorated financial position of the credit union.
3. A non-monetary default, before the resolution order was made, under the agreement by the credit union or any of its affiliates that is remedied within 60 days after the day on which the order is made.
4. The making of a resolution order under this section or any change of control or ownership of the credit union, or any of its affiliates, that is related to the making of the resolution order.
5. The transfer to or acquisition by a third party of all or part of the assets or liabilities of the credit union or any of its affiliates.

Stay terminated — notice

(12) If the Chief Executive Officer considers that all or substantially all of the credit union's assets will be transferred to a third party and that an eligible financial contract of that credit union will not be assigned to a third party, it may give notice to that effect to the parties to that contract, in which case paragraphs 2 and 4 of subsection (11) cease to apply in respect of that contract at the date and time the notice is issued.

Agreements overridden

(13) Any stipulation in an eligible financial contract is of no force or effect if it has the effect of providing for or permitting anything that, in substance, is contrary to subsection (11).

Exception

(14) Subsection (11) does not apply in respect of an eligible financial contract between the credit union and,

- (a) the Crown;
- (b) a central bank;
- (c) a clearing agent, unless the Authority has given the undertaking referred to in subsection (16) in respect of the credit union; or
- (d) a clearing house, unless the Authority has given the undertaking referred to in subsection (18) in respect of the credit union.

Clearing arrangements

(15) Subsections (3) to (5) do not apply so as to prevent a member of the Canadian Payments Association from acting or ceasing to act as a clearing agent for a credit union in accordance with the *Canadian Payments Act* and the by-laws and rules of that Association.

Exception

(16) To enable a member of the Canadian Payments Association to act as a clearing agent on behalf of a credit union, the Authority may, in accordance with the *Canadian Payments Act* and the Canadian Payments Association's by-laws and rules, undertake to provide the financial assistance that the credit union requires in order to discharge its obligations to the clearing agent as they become due.

Clearing house

(17) Subsections (3) to (5) do not apply so as to prevent a clearing house from,

- (a) acting or ceasing to act in that capacity for a credit union; or

- (b) exercising its rights under its settlement rules, as defined in subsection 8 (5) of the *Payment Clearing and Settlement Act* (Canada).

Exception

(18) To enable a clearing house to continue to act for a credit union, the Authority may, in accordance with the *Payment Clearing and Settlement Act* (Canada), undertake to provide financial assistance that the credit union requires in order to discharge its obligations to the clearing house as they become due.

Procedural rules

(19) Section 209 applies with respect to a resolution order under this section.

Leave of court

(20) A superior court may, on any terms that it considers proper, grant leave to a person to do anything that the person would otherwise be prevented from doing by this section or lift, or reduce the length of, a stay under this section if the court is satisfied,

- (a) the person is likely to be materially prejudiced if leave is not granted; or
- (b) that it is equitable on other grounds to grant leave.

Authority to be made party

(21) The Authority must be joined as a respondent in any application under subsection (20) and is entitled to such notice of the application as the court considers proper.

Non-application, certain affiliates

(22) An order made under this section does not apply with respect to a federally regulated credit union affiliate or a federally incorporated credit union affiliate.

Conflict

(23) In the event of a conflict between an order made under this section and any applicable federal law or order made thereunder, the federal law or order made thereunder prevails.

Definitions

(24) In this section,

“clearing agent” has the same meaning as in subsection 39.15 (9) of the *Canada Deposit Insurance Corporation Act*; (“agent de compensation”)

“clearing house” means,

- (a) a clearing house, as defined in section 2 of the *Payment Clearing and Settlement Act* (Canada), that provides clearing, settlement or payment message exchange services for a clearing and settlement system designated under section 4 of that Act, or
- (b) a securities and derivatives clearing house, as defined in subsection 13.1 (3) of the *Payment Clearing and Settlement Act* (Canada); (“chambre de compensation”)

“eligible financial contract” has the meaning given to that expression by the Authority rules; (“contrat financier admissible”)

“executive” means any person who holds the office of chief executive officer, president, chief administrative officer, chief operating officer, chief financial officer, chief information officer, chief legal officer, chief human resources officer or chief corporate development officer, or holds any other chief executive position. (“cadre supérieur”)

12 Subsection 269 (7) of the Act is repealed.

13 Subsection 285 (1) of the Act is amended by adding the following paragraph:

57.1 Defining “eligible financial contract” for the purposes of section 234.1.

Commencement

14 (1) Except as otherwise provided in this section, this Schedule comes into force on the day the *Building Ontario For You Act (Budget Measures), 2024* receives Royal Assent.

(2) Sections 10, 11 and 13 come into force on a day to be named by proclamation of the Lieutenant Governor.

**SCHEDULE 6
EMPLOYER HEALTH TAX ACT**

1 (1) Section 2.1 of the *Employer Health Tax Act* is amended by adding the following subsection:

Taxable total Ontario remuneration

Definition

(0.1) For the purposes of this section, for a year beginning after December 31, 2024, a reference to a group of associated employers is a reference to a group of two or more employers who are all eligible employers at any time in the year and who are all associated with each other at any time in the year.

(2) Subsection 2.1 (3) of the Act is amended by adding “and before January 1, 2025” after “December 31, 2013”.

(3) Section 2.1 of the Act is amended by adding the following subsection:

Same, year after 2024

(3.1) For a year beginning after December 31, 2024, if an employer is a part of one or more groups of associated employers in the year, the exemption amount for that employer shall be determined in accordance with subsection (4.0.1).

(4) Subsection 2.1 (4) of the Act is amended by adding “and before January 1, 2025” after “December 31, 2013”.

(5) Section 2.1 of the Act is amended by adding the following subsections:

Same, year after 2024

(4.0.1) The exemption amount of an employer to whom subsection (3.1) applies is the lesser of,

- (a) the sum of each amount allocated to the employer under an agreement referred to in subsection (4.0.2); and
- (b) the amount that would be the employer’s exemption amount for the year under subsection (2) if that employer were not associated with any other employers.

Same

(4.0.2) Subject to subsection (4.0.3), a group of associated employers may enter into an agreement in which they allocate to one or more of them for the year an exemption amount that does not exceed the highest exemption amount that would be determined under subsection (2) for any of them if they were not associated in the year.

Same

(4.0.3) If the aggregate of the total Ontario remuneration paid during a year by a group of associated employers is more than the exemption threshold for the group, the exemption amount that the group may allocate is nil.

Same

(4.0.4) If no amounts are allocated to an employer to whom subsection (3.1) applies for a year, the employer’s exemption amount for the year is nil.

(6) Subsection 2.1 (4.1) of the Act is amended by striking out “subsections (2), (3) and (4)” and substituting “subsections (2), (3), (3.1), (4) and (4.0.1)”.

(7) Subsection 2.1 (6) of the Act is amended by adding “and before January 1, 2025” after “December 31, 2013”.

(8) Subsection 2.1 (8) of the Act is amended by striking out “subsections (3) and (6)” and substituting “subsections (3), (4) and (6)”.

(9) Section 2.1 of the Act is amended by adding the following subsection:

Same

(8.1) For the purposes of subsection (4.0.3), the exemption threshold for a year for a group of associated employers is the amount that is equal to the highest exemption threshold that would be determined under subsection (7) for any of them if they were not associated in the year.

(10) Subsection 2.1 (14) of the Act is amended by striking out “subsection (4) or (13)” and substituting “subsection (4), (4.0.2) or (13)”.

2 Subsection 3 (2) of the Act is amended by adding “or” at the end of clause (a), by striking out “or” at the end of clause (a.1) and by repealing clause (b).

3 Subsection 5 (1) of the Act is amended by striking out “the prescribed date applicable to the taxpayer” and substituting “March 15 of the following year”.

4 (1) Section 6 of the Act is amended by adding the following subsection:

Same

(1.1) The Minister may refund an amount that the Minister determines under subsection 8 (1) to be an overpayment made on account of tax payable under this Act for the year if,

- (a) the overpayment is in respect of an assessment made by the Minister; and
- (b) the taxpayer applied in writing for the refund within 90 days after the assessment in which the overpayment was assessed.

(2) Subsection 6 (2) of the Act is amended by striking out “subsection (1)” and substituting “subsection (1) or (1.1)”.

5 Subsection 8 (1) of the Act is amended by striking out “and” at the end of subclause (a) (ii), by adding “and” at the end of clause (b) and by adding the following clause:

- (c) at any time, if the Minister receives an application for a refund under subsection 6 (1.1).

6 Clause 30 (1.3) (a) of the Act is repealed.

Commencement

7 (1) Except as otherwise provided in this section, this Schedule comes into force on the day the *Building Ontario For You Act (Budget Measures), 2024* receives Royal Assent.

(2) Sections 2 to 6 come into force on January 1, 2025 or, if the *Building Ontario For You Act (Budget Measures), 2024* receives Royal Assent after that day, they are deemed to have come into force on that day.

**SCHEDULE 7
FUEL TAX ACT**

1 Clause 2 (1.1) (a) of the *Fuel Tax Act* is amended by striking out “December 31, 2024” and substituting “June 30, 2025”.

Commencement

2 This Schedule comes into force on the day the *Building Ontario For You Act (Budget Measures), 2024* receives Royal Assent.

**SCHEDULE 8
GASOLINE TAX ACT**

1 Clause 2 (1.1) (a) of the *Gasoline Tax Act* is amended by striking out “December 31, 2024” and substituting “June 30, 2025”.

Commencement

2 This Schedule comes into force on the day the *Building Ontario For You Act (Budget Measures), 2024* receives Royal Assent.

**SCHEDULE 9
IGAMING ONTARIO ACT, 2024**

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INTERPRETATION

Purposes

1 The purposes of this Act are to,

- (a) enhance the economic development of the Province;
- (b) generate revenue for the Province;
- (c) promote responsible gaming with respect to online lottery schemes; and
- (d) ensure that anything done for a purpose set out in clause (a) to (c) is also done for the public good and in the best interests of the Province.

Definitions

2 In this Act,

“Corporation” means iGaming Ontario; (“Société”)

“electronic gaming site” means an electronic channel maintained for the purpose of playing or operating a lottery scheme; (“site de jeu électronique”)

“lottery scheme” has the same meaning as in subsection 207 (4) of the *Criminal Code* (Canada); (“loterie”)

“Minister” means the member of the Executive Council to whom responsibility for the administration of this Act may be assigned or transferred under the *Executive Council Act*; (“ministre”)

“online lottery scheme” means a lottery scheme offered through an electronic gaming site that is operated by a supplier registered as an operator under the *Gaming Control Act, 1992*; (“loterie en ligne”)

“prescribed” means prescribed by the regulations; (“prescrit”)

“regulations” means the regulations made under this Act. (“règlements”)

IGAMING ONTARIO

Corporation continued

3 (1) iGaming Ontario is continued as a corporation without share capital under the name iGaming Ontario in English and Jeux en ligne Ontario in French.

Agent of the Crown

(2) The Corporation is an agent of the Crown in right of Ontario.

Objects and duties

4 (1) The Corporation has the following objects and duties:

1. To develop, undertake, organize, conduct and manage online lottery schemes.
2. To ensure that online lottery schemes are conducted and managed in accordance with the *Criminal Code* (Canada) and the *Gaming Control Act, 1992*, and the regulations made under them.
3. To promote responsible gaming with respect to online lottery schemes.
4. Subject to the Minister’s approval, to enter into agreements to develop, undertake, organize, conduct and manage lottery schemes on behalf of, or in conjunction with, the governments of one or more provinces or territories of Canada.
5. Any other prescribed objects or duties.

Same

(2) A regulation made for the purposes of paragraph 5 of subsection (1) may provide that an object or duty is subject to the approval of the Minister or the Lieutenant Governor in Council.

Natural person powers

5 (1) The Corporation has the capacity, rights and powers of a natural person.

Limitations

(2) Despite subsection (1), the Corporation shall not exercise any of the following powers without the approval of the Lieutenant Governor in Council:

1. Create a subsidiary.
2. Acquire, hold or dispose of any interest in real property, except for renting office space.
3. Borrow money or give security against property.
4. Any prescribed power.

Application of corporate statutes to Corporation

Not-for-Profit Corporations Act, 2010

6 (1) The *Not-for-Profit Corporations Act, 2010* does not apply to the Corporation, except as may be prescribed.

Corporations Information Act

(2) The *Corporations Information Act* does not apply to the Corporation.

Business Corporations Act

(3) Section 132 (disclosure: conflict of interest), subsection 134 (1) (standards of care, etc., of directors, etc.) and section 136 (indemnification) of the *Business Corporations Act* apply, with necessary modifications, to the Corporation and its directors.

Employees, officers

7 (1) The Corporation may employ such individuals as it considers necessary for the proper conduct of its business.

Subject to Minister's approval

(2) The remuneration, including salary and benefits, of the officers and senior employees of the Corporation must be approved by the Minister.

BOARD OF DIRECTORS

Board of directors

8 (1) The Corporation's affairs shall be managed and supervised by a board of directors.

Composition

- (2) The board of directors shall be composed of,
- (a) no more than nine individuals appointed by the Minister; and
 - (b) a president and chief executive officer appointed under section 11 who shall be a member by virtue of office, subject to the limitations provided for by this Act.

Disqualifying factors

- (3) An individual is not eligible to be appointed as a member of the board of directors under clause (2) (a) if the individual,
- (a) is less than 18 years of age;
 - (b) has been found under the *Substitute Decisions Act, 1992* or the *Mental Health Act* to be incapable of managing property or has been found to be incapable by a court in Canada or elsewhere;
 - (c) has been convicted of fraud or a similar offence by any court in Canada or elsewhere; or
 - (d) has the status of bankrupt.

Remuneration, expenses

(4) The members of the board of directors shall receive the remuneration and reimbursement for reasonable expenses that the Lieutenant Governor in Council determines.

Chair and vice-chair

9 (1) The Minister shall designate a chair, and may designate a vice-chair, from among the members of the board of directors the Minister appoints.

Chair

(2) The chair shall preside over the meetings of the board of directors.

Acting chair

- (3) If the chair is absent or otherwise unavailable to act, or if the office of the chair is vacant,
- (a) the vice-chair shall act as the chair; or
 - (b) if the office of the vice-chair is vacant, or the vice-chair is also absent or otherwise unavailable to act, the members present shall appoint an acting chair from among themselves to act as the chair.

Quorum

10 (1) A majority of the members of the board of directors, excluding the president and chief executive officer, constitutes a quorum of the board.

Same

(2) If no quorum exists for the purpose of voting on a matter only because a member of the board is not permitted to be present by reason of a conflict of interest, the remaining members of the board are deemed to constitute a quorum for the purpose of voting on the matter.

President and chief executive officer

11 (1) The members of the board of directors appointed by the Minister shall appoint an individual to serve as the president and chief executive officer of the Corporation.

Disqualifying factors

(2) An individual is not eligible to be appointed as the president and chief executive officer if the individual meets any of the criteria listed under subsection 8 (3).

Duties

(3) The president and chief executive officer shall be responsible for the management and administration of the affairs of the Corporation, subject to the supervision and direction of its board of directors.

Limitations

(4) The president and chief executive officer may attend and participate at any meeting of the board of directors, but shall not have a vote with respect to any matter to be decided at the meeting.

Same

(5) Despite subsection (4), the other members of the board may exclude the president and chief executive officer from attending all or part of a board meeting if a matter to be discussed involves the position, performance or powers, duties or functions of the president and chief executive officer.

By-laws

12 (1) The board of directors may make by-laws regulating its proceedings and generally for the management of the Corporation's affairs, including by-laws to,

- (a) set out the powers, duties and functions of the president and chief executive officer and any other officers of the Corporation;
- (b) establish committees of the board; and
- (c) effect the orderly transaction of the Corporation's business.

Limitation

(2) The board shall not make a by-law relating to borrowing, investing or managing financial risks, unless the by-law has first been approved by the Minister and the Minister of Finance.

Delegation of powers, duties and functions

13 (1) The board of directors may delegate, in writing, to a committee of the board or to an officer or employee of the Corporation any of the board's powers, duties or functions, other than a power to,

- (a) approve the Corporation's budget, including the budget for capital expenditures and staffing;
- (b) approve the Corporation's business plan, annual report or financial statements;
- (c) appoint or remove the president and chief executive officer;
- (d) establish committees of the board and fill vacancies on those committees; or
- (e) make, amend or repeal by-laws or resolutions of the Corporation.

Conditions

(2) A delegation made under subsection (1) is subject to any conditions set out in the delegation.

MINISTER'S POWERS**Minister's directives**

14 (1) The Minister may issue written directives to the Corporation that relate to the Corporation's objects, duties, operations, activities and financial affairs, which may include directions with respect to the timing or manner of implementing the directives.

Implementation

(2) The board of directors shall ensure that the directives are implemented promptly and efficiently.

Not a regulation

(3) Part III (Regulations) of the *Legislation Act, 2006* does not apply to a directive.

Minister may require reports, information

15 The Minister may require the Corporation to, within the time and in the manner the Minister may specify, report on or provide any information on its operations, activities and financial affairs that the Minister specifies.

FINANCIAL MATTERS**Fiscal year**

16 The Corporation's fiscal year begins on April 1 in a year and ends on March 31 in the following year.

Revenues, investments and assets

17 Despite Part I of the *Financial Administration Act*, the Corporation's revenues, investments and assets do not form part of the Consolidated Revenue Fund, except as may be provided by regulations made under clause 26 (b).

Audits

18 The accounts and financial transactions of the Corporation shall be audited annually by the Auditor General.

OTHER MATTERS**Annual report**

19 (1) The Corporation shall prepare an annual report and,

- (a) provide it to the Minister; and
- (b) make it available to the public.

Directives

(2) The Corporation shall comply with such directives as may be issued by the Management Board of Cabinet with respect to,

- (a) the form and content of the annual report;
- (b) when to provide the annual report to the Minister; and
- (c) when and how to make the annual report available to the public.

Additional content

(3) The Corporation shall include such additional content in the report as the Minister may require.

Tabling of report

(4) The Minister shall table the report in the Assembly and shall comply with such directives as may be issued by the Management Board of Cabinet with respect to when to table it.

Access to reports, accounts, etc.

20 (1) The Corporation shall ensure that any person with whom it enters into an agreement to provide for the operation of an electronic gaming site, an online lottery scheme or a related business is required to make available to the Corporation, immediately on its request, reports, accounts, records and other documents in respect of the operation of the site, scheme or business.

Same

(2) The reports, accounts, records and other documents are deemed to form part of the accounts of the Corporation for the purposes of the *Auditor General Act*.

Crown liability**No personal liability**

21 (1) No cause of action arises against any current or former minister, deputy minister, officer or employee of the Crown for any act done in good faith in the exercise or performance, or intended exercise or performance, of the person's powers, duties or functions under this Act or for any alleged neglect, default or other omission in the exercise or performance in good faith of those powers, duties or functions.

Crown remains vicariously liable

(2) Despite subsection 8 (3) of the *Crown Liability and Proceedings Act, 2019*, subsection (1) does not relieve the Crown of liability to which it would otherwise be subject as a result of the acts or omissions of a person specified in subsection (1).

No liability for acts or omissions of others

(3) No cause of action arises against the Crown or any person specified in subsection (1) for an act or omission of a person other than the Crown or a person specified in that subsection, if the act or omission is related, directly or indirectly, to the exercise or performance, or intended exercise or performance, of a power, duty or function under this Act.

Corporation liability**No personal liability**

22 (1) No cause of action arises against any current or former director, officer or employee of the Corporation for any act done in good faith in the exercise or performance, or intended exercise or performance, of the person's powers, duties or functions under this Act or for any alleged neglect, default or other omission in the exercise or performance in good faith of those powers, duties or functions.

Corporation vicariously liable

(2) Subsection (1) does not relieve the Corporation of liability to which it would otherwise be subject as a result of the acts or omissions of a person specified in subsection (1).

Proceedings barred

23 (1) No proceeding shall be commenced,

- (a) against any person specified in subsection 21 (1) in respect of a matter referred to in that subsection;
- (b) against the Crown or any person specified in subsection 21 (1) in respect of a matter referred to in subsection 21 (3); or
- (c) against any person specified in subsection 22 (1) in respect of a matter referred to in that subsection.

Same

(2) Subsection (1) does not apply with respect to an application for judicial review, but does apply with respect to any other court, administrative or arbitral proceeding claiming any remedy or relief, including specific performance, an injunction, declaratory relief, a remedy in contract, restitution, unjust enrichment or tort, a remedy for breach of trust or fiduciary obligation or any equitable remedy, enforcement of a judgment, order or award made outside Ontario or any form of compensation or damages including loss of revenue or profit.

TRANSITION

Board members

24 (1) An individual who is a Minister-appointed member of the Corporation's board of directors immediately before the day this section comes into force continues to be a member of the board and, subject to subsection (2), to hold the same position on the board, until replaced or removed.

Executive director

(2) The individual who is the Corporation's executive director immediately before the day this section comes into force becomes the Corporation's president and chief executive officer on that day.

Agreements with Alcohol and Gaming Commission of Ontario

25 (1) Any agreement entered into under section 18 of Ontario Regulation 722/21 (Lottery Subsidiary – iGaming Ontario) made under the *Alcohol and Gaming Commission of Ontario Act, 2019* that was in force immediately before that Regulation was revoked continues to apply.

Same

(2) Section 18 of Ontario Regulation 722/21 continues to apply, despite its revocation, for the purposes of subsection (1).

REGULATIONS

Regulations

26 The Lieutenant Governor in Council may make regulations,

- (a) respecting anything that, in this Act, may or must be prescribed or done by regulation;
- (b) governing the payment out of the Corporation's revenues, including,
 - (i) requiring or authorizing the Corporation to make payments out of its revenues,
 - (ii) requiring that payments be made according to a specified priority,
 - (iii) providing that payments must or may be made at the direction of a minister of the Crown,
 - (iv) requiring or authorizing the Minister or the Corporation to make information related to payments publicly available and governing the manner in which the information is made publicly available;
- (c) governing transitional matters that may arise from the implementation of,
 - (i) this Act, including any amendments made to it,
 - (ii) the amendments made to the *Alcohol and Gaming Commission of Ontario Act, 2019* by Schedule 9 to the *Building Ontario For You Act (Budget Measures), 2024* in respect of the lottery subsidiary or the revocation of Ontario Regulation 722/21 (Lottery Subsidiary – iGaming Ontario) made under the *Alcohol and Gaming Commission of Ontario Act, 2019*;
- (d) respecting any matter that the Lieutenant Governor in Council considers necessary or advisable to effectively carry out the purposes of this Act.

AMENDMENTS TO THIS ACT

Amendments to this Act

27 (1) Section 24 of this Act is repealed.

(2) Section 25 of this Act is repealed.

CONSEQUENTIAL REVOCATION AND AMENDMENTS

Revocation

28 Ontario Regulation 722/21 (Lottery Subsidiary – iGaming Ontario) made under the *Alcohol and Gaming Commission of Ontario Act, 2019* is revoked.

Alcohol and Gaming Commission of Ontario Act, 2019

29 (1) The definition of “lottery subsidiary” in subsection 1 (1) of the *Alcohol and Gaming Commission of Ontario Act, 2019* is repealed.

(2) Subsection 1.1 (2) of the Act is repealed.

(3) Paragraphs 3 to 5 of subsection 3 (1) of the Act are repealed.

(4) Section 4.1 of the Act is repealed.

(5) Subsection 6 (4.1) of the Act is repealed.

(6) Section 6.1 of the Act is repealed.

(7) Subsection 7 (3) of the Act is repealed.

(8) Sections 9 and 10 of the Act are repealed and the following substituted:

Employees, officers

9 (1) The Commission may employ such individuals as it considers necessary for the proper conduct of its business.

(2) The Commission may, subject to the Minister’s approval, establish job categories, salary ranges and conditions of employment for its employees and officers who are not members of a bargaining unit as defined in the *Labour Relations Act, 1995*.

Crown liability

No personal liability

10 (1) No cause of action arises against any current or former minister, deputy minister, officer or employee of the Crown for any act done in good faith in the exercise or performance, or intended exercise or performance, of the person’s powers, duties or functions under this Act or any of the alcohol, cannabis, gaming and horse racing statutes, or for any alleged neglect, default or other omission in the exercise or performance in good faith of those powers, duties or functions.

Crown remains vicariously liable

(2) Despite subsection 8 (3) of the *Crown Liability and Proceedings Act, 2019*, subsection (1) does not relieve the Crown of liability to which it would otherwise be subject as a result of the acts or omissions of a person specified in subsection (1).

No liability for acts or omissions of others

(3) No cause of action arises against the Crown or any person specified in subsection (1) for an act or omission of a person other than the Crown or a person specified in that subsection, if the act or omission is related, directly or indirectly, to the exercise or performance, or intended exercise or performance, of a power, duty or function under this Act or any of the alcohol, cannabis, gaming and horse racing statutes.

Transition

(4) For greater certainty, this section, as it read immediately before the day subsection 29 (8) of Schedule 9 to the *Building Ontario For You Act (Budget Measures), 2024* came into force, continues to apply with respect to any matter to which it applied before that day.

Commission liability

10.1 (1) No cause of action arises against any current or former director, officer or employee of the Commission for any act done in good faith in the exercise or performance, or intended exercise or performance, of the person’s powers, duties or functions under this Act or any of the alcohol, cannabis, gaming and horse racing statutes or for any alleged neglect, default or other omission in the exercise or performance in good faith of those powers, duties or functions.

Commission vicariously liable

(2) This section does not relieve the Commission of liability to which it would otherwise be subject as a result of the acts or omissions of a person specified in subsection (1).

Proceedings barred

10.2 (1) No proceeding shall be commenced,

- (a) against any person specified in subsection 10 (1) in respect of a matter referred to in that subsection;
- (b) against the Crown or any person specified in subsection 10 (1) in respect of a matter referred to in subsection 10 (3); or
- (c) against any person specified in subsection 10.1 (1) in respect of a matter referred to in the applicable subsection.

Same

(2) Subsection (1) does not apply with respect to an application for judicial review, but does apply with respect to any other court, administrative or arbitral proceeding claiming any remedy or relief, including specific performance, an injunction, declaratory relief, a remedy in contract, restitution, unjust enrichment or tort, a remedy for breach of trust or fiduciary obligation or any equitable remedy, enforcement of a judgment, order or award made outside Ontario or any form of compensation or damages including loss of revenue or profit.

(9) Section 12 (1) of the Act is amended by adding “or iGaming Ontario” after “the Ontario Lottery and Gaming Corporation”.

(10) Section 12.1 of the Act is repealed and the following substituted:

Fiscal year, audits

Fiscal year

12.1 (1) The Commission’s fiscal year begins on April 1 in a year and ends on March 31 in the following year.

Audits

(2) The accounts and financial transactions of the Commission shall be audited annually by the Auditor General.

(11) Section 16 of the Act is repealed and the following substituted:

Regulations

16 The Lieutenant Governor in Council may make regulations,

- (a) respecting anything that, in this Act, may or must be prescribed, done, specified or provided for in the regulations;
- (b) governing transitional matters that may arise from the implementation of this Act, including any amendments made to it, or from any repeal of a provision by Schedule 2 to the *Plan to Build Ontario Together Act, 2019*;
- (c) respecting any other matter necessary to facilitate the implementation of this Act.

Cannabis Licence Act, 2018

30 Section 48 of the *Cannabis Licence Act, 2018* is repealed.

Gaming Control Act, 1992

31 (1) The definition of “lottery subsidiary” in subsection 1 (1) of the *Gaming Control Act, 1992* is repealed.

(2) Subsection 30 (3) of the Act is repealed and the following substituted:

Lottery schemes of iGaming Ontario

(3) If an investigation under this Act relates to a lottery scheme conducted and managed by iGaming Ontario, iGaming Ontario and every employee or other person retained by it shall facilitate the investigation.

(3) Subsection 46 (2) of the Act is amended by adding “or (3)” after “subsection 30 (2)”.

(4) The Act is amended by striking out “the lottery subsidiary” wherever it appears and substituting in each case “iGaming Ontario”.

COMMENCEMENT AND SHORT TITLE

Commencement

32 The Act set out in this Schedule comes into force on a day to be named by proclamation of the Lieutenant Governor.

Short title

33 The short title of the Act set out in this Schedule is the *iGaming Ontario Act, 2024*.

**SCHEDULE 10
INSURANCE ACT**

1 Section 1 of the *Insurance Act* is amended by adding the following definitions:

“managing general agent” means a corporation or partnership or an entity belonging to a class prescribed by Authority rule that holds a managing general agent licence issued under Part XIV.1; (“agent général gestionnaire”)

“sub-managing general agent” means a managing general agent that performs managing general agent activities pursuant to an agreement with another managing general agent or sub-managing general agent; (“sous-agent général gestionnaire”)

2 Subsection 34 (1) of the Act is amended by striking out “an insurer” and substituting “an insurer, managing general agent” and by striking out “the insurer” and substituting “the insurer, managing general agent”.

3 (1) Subsection 121 (1) of the Act is amended by adding the following paragraph:

23.6.6 governing excess insurance for the purposes of subsection 268 (6);

(2) Paragraph 37.1 of subsection 121 (1) of the Act is amended by striking out “or brokers” in the portion before subparagraph i and substituting “brokers or managing general agents”.

(3) Paragraph 37.4 of subsection 121 (1) of the Act is amended by striking out “and brokers” and substituting “brokers and managing general agents”.

4 (1) Paragraph 11.1 of subsection 121.0.1 (1) of the Act is amended by striking out “and agents” in the portion before subparagraph i and substituting “agents and managing general agents”.

(2) Subsection 121.0.1 (1) of the Act is amended by adding the following paragraphs:

29.1 Prescribing anything that, in Part XIV.1, is required or permitted to be prescribed or to be done in accordance with the Authority rules.

29.2 For the purposes of Part XIV.1,

- i. establishing standards for the performance of the regulated activities set out in section 407.2,
- ii. establishing the roles and responsibilities of insurers, managing general agents, sub-managing general agents and agents in the performance of the regulated activities set out in section 407.2, and
- iii. for the purposes of the standards and the roles and responsibilities established under subparagraphs i and ii, prohibiting insurers, managing general agents, sub-managing general agents and agents from performing regulated activities.

(3) Paragraph 68 of subsection 121.0.1 (1) of the Act is amended by striking out “or brokers” in the portion before subparagraph i and substituting “brokers or managing general agents”.

(4) Paragraph 71 of subsection 121.0.1 (1) of the Act is amended by striking out “and brokers” and substituting “brokers and managing general agents”.

(5) Section 121.0.1 of the Act is amended by adding the following subsections:

Rules re managing general agents’ licences

(4.1) The Authority may make rules relating to licences authorizing a person to act as a managing general agent in Ontario.

Transitional rules

(4.2) The Authority may make rules providing for transitional matters in connection with the implementation of Part XIV.1 and the amendments related to that Part made by Schedule 10 to the *Building Ontario For You Act (Budget Measures), 2024*.

(6) Subsection 121.0.1 (4.2) of the Act, as enacted by subsection (5), is repealed.

5 Subsection 134 (3) of the Act is repealed and the following substituted:

Where note or cheque for premium not honoured

(3) If a cheque, bill of exchange or promissory note is given, whether originally or by way of renewal, for the whole or part of any premium and the cheque, bill of exchange or promissory note is not honoured according to its tenor, the insurer may terminate the contract promptly by giving written notice by,

- (a) registered mail;
- (b) personal delivery;
- (c) prepaid courier, if there is a record by the person who has delivered it that the notice has been delivered; or
- (d) electronic means, if the insured consents to delivery by electronic means.

6 (1) Clause 5 (1) (a) of the Statutory Conditions set out in section 148 of the Act is repealed and the following substituted:

- (a) by the insurer giving to the insured,
 - (i) 15 days notice of termination by registered mail, or
 - (ii) five days written notice of termination,
 - (A) personally delivered,
 - (B) delivered by prepaid courier, if there is a record by the person who delivered it that the notice has been delivered, or
 - (C) delivered by electronic means, if the insured consents to delivery by electronic means; or

(2) Subsection 5 (5) of the Statutory Conditions set out in section 148 of the Act is repealed and the following substituted:

(5) The 15 days mentioned in subclause (1) (a) (i) of this condition commences to run on the day following the receipt of the registered letter at the post office to which it is addressed.

(6) The five days mentioned in subclause (1) (a) (ii) of this condition commences to run on,

- (a) in respect of delivery by prepaid courier, the day after the day there is a record by the person who delivered it that the notice has been delivered; and
- (b) in respect of delivery by electronic means, the day after the day the notice is sent.

(3) Paragraph 2 of subsection 15 (2) of the Statutory Conditions set out in section 148 of the Act is amended by striking out “sent” at the end and substituting “delivered”.

7 Clause 180 (1) (b) of the Act is amended by striking out “or its authorized agent” and substituting “its authorized agent or managing general agent”.

8 Section 222 of the Act is amended by striking out “agent or employee” and substituting “agent, managing general agent or employee”.

9 Subsection 268 (6) of the Act is amended by adding “Except as provided in the *Statutory Accident Benefits Schedule*” at the beginning.

10 (1) Paragraph 2 of subsection 6 (2) of the Statutory Conditions set out in section 300 of the Act is amended by striking out “sent” at the end and substituting “delivered”.

(2) Subsection 6 (2) of the Statutory Conditions set out in section 300 of the Act is amended by adding the following paragraph:

- 4. It may be sent by electronic means if the insured consents to delivery by electronic means.

(3) Subsection 6 (3) of the Statutory Conditions set out in section 300 of the Act is repealed and the following substituted:

(3) If the notice of termination is personally delivered, delivered by prepaid courier or delivered by electronic means to the insured, five days notice of termination shall be given and, if delivered by prepaid courier, the five-day period begins on the day after the day there is a record by the person who delivered it that the notice has been delivered. If the notice is delivered by electronic means to the insured, the five-day period begins on the day after the day the notice is sent.

(4) If the notice of termination is sent by registered mail to the insured, 15 days notice of termination shall be given, and the 15-day period begins on the day the registered letter or notification of it is delivered to the insured’s address.

11 Subclause 303 (1) (b) (ii) of the Act is amended by striking out “sent” at the end and substituting “delivered”.

12 Section 329 of the Act is amended by striking out “agent or employee” and substituting “agent, managing general agent or employee”.

13 Subsection 394 (1) of the Act is amended by striking out “or broker” and substituting “broker or managing general agent”.

14 Section 395 of the Act is amended by striking out “or broker” and substituting “broker or managing general agent”.

15 Section 396 of the Act is amended by striking out “or broker” wherever it appears and substituting in each case “broker or managing general agent”.

16 Subsection 397 (1) of the Act is amended by,

- (a) striking out “fee established by the Minister” and substituting “applicable fee”; and
- (b) striking out “an insurance agent under this Part” and substituting “an insurance agent under this Part, a managing general agent under Part XIV.1”.

17 Section 401 of the Act is amended by striking out “agent or adjuster” wherever it appears and substituting in each case “agent, adjuster or managing general agent”.

18 (1) The French version of subsection 402 (1) of the Act is amended by adding “aux termes” after “il a droit”.

(2) Section 402 of the Act is amended by adding the following subsection:

Same, managing general agent

(1.1) A managing general agent that receives any money or substitute for money as a premium from an agent pursuant to subsection (1) shall be deemed to hold such premium in trust for the insurer, and, if the managing general agent fails to pay the premium over to the insurer within 15 days after written demand made upon the managing general agent, less any commission of the managing general agent and any deductions to which, by the written consent of the company, the managing general agent is entitled, such failure is proof, in the absence of evidence to the contrary, that the managing general agent has used or applied the premium for a purpose other than paying it over to the insurer.

(3) Section 402 of the Act is amended by adding the following subsection:

Same, managing general agent

(3) A managing general agent that receives any money or substitute for money for payment to a person in respect of the contract of insurance shall be deemed to hold such in trust for the person entitled thereto, and, if the managing general agent fails to pay the money over to such person within 15 days after written demand made upon the managing general agent, less any commission of the managing general agent and any deductions to which the managing general agent is entitled, such failure is proof, in the absence of evidence to the contrary, that the managing general agent has used or applied the money for a purpose other than paying it over to the person entitled.

19 (1) Subsection 403 (1) of the Act is amended by striking out “no broker” and substituting “no broker or managing general agent”.

(2) The French version of subsection 403 (1) of the Act is amended by striking out “ils n’étaient pas des agents, ni des courtiers” and substituting “cette personne n’était ni un agent, ni un courtier”.

(3) Section 403 of the Act is amended by adding the following subsection:

Same, managing general agent

(2) No insurer, and no officer, employee or agent thereof, and no broker or managing general agent, shall directly or indirectly pay or allow, or agree to pay or allow, compensation or anything of value to any person for acting or offering to act as a managing general agent, who, at the date thereof, is not a managing general agent, and whoever contravenes this subsection is guilty of an offence.

20 Section 407 of the Act is amended by striking out “or adjuster” and substituting “adjuster or managing general agent”.

21 The Act is amended by adding the following Part:

PART XIV.1

MANAGING GENERAL AGENTS — LIFE INSURANCE AND ACCIDENT AND SICKNESS INSURANCE

Regulated activities

407.2 For the purposes of this Act, a person or entity is acting as a managing general agent in Ontario when, pursuant to an agreement, the person or entity facilitates the sale of life or accident and sickness insurance by engaging in any of the following activities, or holds themselves out as doing so:

1. Recruiting agents or prospective agents.
2. Screening agents or prospective agents to confirm the agent is suitable to carry on business as an agent.
3. Providing training to agents.
4. Supervising or monitoring the activities of agents.
5. Entering into written agreements with agents who sell or solicit life insurance or accident and sickness insurance.
6. Recommending agents to insurers to sell or solicit life or accident and sickness insurance.
7. Transmitting an insurance application or a policy of insurance between an insurer licensed for classes of life or accident and sickness insurance and an agent.
8. Such other activities and functions as may be prescribed by Authority rule.

22 The Act is amended by adding the following section:

Prohibitions

Prohibition re carrying on business

407.3 (1) No person or entity shall carry on the business of acting as a managing general agent for an insurer licensed for classes of life or accident and sickness insurance in Ontario unless the person or entity has a managing general agent licence.

Prohibition re entering into agreements

(2) No insurer licensed for classes of life or accident and sickness insurance shall enter into an agreement with a person or entity to act as a managing general agent unless the person or entity has a managing general agent licence.

Same

(3) No insurer licensed for classes of life or accident and sickness insurance shall enter into an agreement with a managing general agent that has entered into an agreement with another person or entity to act as a sub-managing general agent unless the other person or entity has a managing general agent licence.

Same

(4) No managing general agent shall enter into an agreement with another person or entity to act as sub-managing general agent unless the other person or entity has a managing general agent licence.

23 The Act is amended by adding the following sections:

Managing general agent's licence

407.4 (1) A corporation or partnership or an entity belonging to a class prescribed by Authority rule may apply for a licence to act as a managing general agent in Ontario.

Same, scope of authority

(2) A managing general agent's licence authorizes the licensee to act as such in accordance with the requirements of this Act, the regulations and the Authority rules and subject to the restrictions applicable to the class of licence issued to the licensee.

Classes of managing general agent's licence

(3) The following classes of managing general agent's licence may be issued under this Part:

1. Licence for life insurance and accident and sickness insurance.
2. Licence for accident and sickness insurance.

Insurer's class of licence

(4) An insurer for which a managing general agent acts as a managing general agent itself must be licensed under this Act to undertake the applicable class of life insurance or accident and sickness insurance.

Same

(5) A managing general agent's licence is subject to such terms and conditions as may be prescribed by Authority rule for the applicable class of licence, such conditions as may be imposed by the Chief Executive Officer and such requirements, including reporting requirements, as may be prescribed by Authority rule for that class of licence.

Standards of practice

(6) The licensee shall comply with such standards of practice as may be prescribed by Authority rule for the licence issued to the licensee.

Managing general agent's compliance system

(7) The licensee shall establish and maintain a system that is reasonably designed to ensure that the licensee and each sub-managing general agent and agent that has an agreement with the licensee complies with this Act, the regulations, the Authority rules and the conditions of the licensee's licence.

Same

(8) The compliance system referred to in subsection (7) must include provisions for the monitoring of the compliance system of any sub-managing general agent that is authorized to act pursuant to its agreement with the licensee.

Same

(9) The compliance system referred to in subsection (7) must meet such requirements as are prescribed by the Authority rules.

Same

(10) The licensee shall meet such reporting requirements with respect to the compliance system as may be prescribed by Authority rule.

Record-keeping

(11) The licensee shall keep such records as may reasonably be required to demonstrate compliance with its compliance system and any related Authority rules for a reasonable period of time.

Reporting requirement

(12) Within 30 days of entering into, amending or terminating a sub-managing general agent agreement, the licensee shall provide the following to the Chief Executive Officer:

1. Written notice of the agreement, amendment or termination.
2. A copy of the agreement and any amendment to it.
3. If the agreement is terminated, the reason for the termination.

Designated compliance representative

(13) The licensee shall designate a compliance representative to exercise such powers and perform such duties as may be prescribed by the Authority rules, and the individual so designated shall carry out the individual's powers and duties in accordance with the requirements prescribed by the Authority rules.

Same

(14) An individual who satisfies the criteria prescribed by the Authority rules is eligible to be designated as a compliance representative.

Application for managing general agent's licence

407.5 (1) A person or entity who wishes to apply for a managing general agent's licence shall submit an application to the Chief Executive Officer in the manner required by the Chief Executive Officer and shall give the Chief Executive Officer such information, evidence and material as the Chief Executive Officer may require and pay the applicable fee.

Same

(2) The applicant is also required to pay any outstanding administrative penalty imposed under Part XVIII.1.

Declaration by applicant

(3) The application must include a declaration by the applicant, on a form approved by the Chief Executive Officer, respecting representations made in the application.

Withdrawal of application

(4) The applicant may withdraw the application at any time before the licence is issued but, if the Chief Executive Officer has taken a step under section 407.9 in connection with the application, the applicant cannot withdraw the application without the Chief Executive Officer's permission.

Conditions

(5) If the Chief Executive Officer permits the applicant to withdraw the application, the Chief Executive Officer may impose conditions relating to the withdrawal.

Issuance, renewal, amendment of licence

407.6 (1) The Chief Executive Officer shall issue a licence to act as a managing general agent in Ontario to an applicant who applies in accordance with section 407.5 and who satisfies the requirements for a licence prescribed by the Authority rules unless the Chief Executive Officer believes, on reasonable grounds, that the applicant is not suitable to be licensed having regard to such circumstances as may be prescribed by the Authority rules and such other matters as the Chief Executive Officer considers appropriate.

Term of licence

(2) A managing general agent's licence expires at such time as the Authority rules provide, unless the licence is revoked or suspended under this Part.

Proposal to refuse application

(3) If the Chief Executive Officer proposes to refuse to issue a licence to the applicant, the Chief Executive Officer shall take the steps required under section 407.9.

Proposal to impose conditions

(4) If the Chief Executive Officer proposes to issue the licence and, without the applicant's consent, to impose conditions on the licence, the Chief Executive Officer shall take the steps required under section 407.9.

Amendment of licence

(5) The Chief Executive Officer may amend a licence at any time.

Proposal to amend

(6) If the Chief Executive Officer proposes to amend the licence without the managing general agent's consent, the Chief Executive Officer shall take the steps required under section 407.9.

Renewal of licence

(7) A managing general agent may apply to the Chief Executive Officer to renew the licence by submitting an application to the Chief Executive Officer in the manner required by the Chief Executive Officer and shall give the Chief Executive Officer such information, evidence and material as the Chief Executive Officer may require and pay the applicable fee.

Renewal process

(8) Subsections 407.5 (2) to (5) and subsections (1), (3) and (4) of this section apply, with necessary modifications, with respect to the application for renewal.

Revocation or suspension of managing general agent's licence

407.7 (1) The Chief Executive Officer may, by order, revoke or suspend a managing general agent's licence if the licensee,

- (a) ceases to satisfy the requirements prescribed by the Authority rules for the issuance or renewal, as the case may be, of the licence; or
- (b) contravenes or fails to comply with this Act, the regulations, the Authority rules or a condition of the licence.

Proposal to revoke or suspend

(2) If the Chief Executive Officer proposes to revoke or suspend a licence without the licensee's consent, the Chief Executive Officer shall take the steps required under section 407.9.

Expedited order to revoke or suspend

(3) The Chief Executive Officer may, by order, revoke or suspend a managing general agent's licence in any of the following circumstances, without taking the steps required under section 407.9:

- 1. The managing general agent fails to pay a fee required under this Act or an administrative penalty imposed under Part XVIII.1.
- 2. Such other circumstances as may be prescribed by Authority rule.

Effect of suspension

(4) During a suspension, the managing general agent is not authorized to act as a managing general agent in Ontario.

Interim order suspending licence

(5) If, in the Chief Executive Officer's opinion, the interests of the public may be adversely affected by any delay in the revocation or suspension of a managing general agent's licence as a result of the steps required under section 407.9, the Chief Executive Officer may, without notice, make an interim order suspending the licence and may do so before or after giving the notice required under section 407.9 with respect to the proposal to revoke or suspend the licence.

Effect of interim order

(6) An interim order suspending a managing general agent's licence takes effect immediately and remains in effect until the expiry of the period for requesting a hearing under section 407.9 about the Chief Executive Officer's proposal to revoke or suspend the licence.

Same

(7) Despite subsection (6), if the Chief Executive Officer does not give the managing general agent the notice required under section 407.9 within 21 days after the day on which the interim order is made, the interim order expires at the end of the 21-day period.

Extension of interim order

(8) If the managing general agent requests a hearing about the Chief Executive Officer's proposal to revoke or suspend the licence, the Chief Executive Officer may extend the interim order until the proposal is finally determined.

Revocation

(9) The Chief Executive Officer may revoke a suspension order or an interim order at any time.

Reinstatement of licence

(10) If a licence is revoked for non-payment of a fee or administrative penalty described in paragraph 1 of subsection (3), the Chief Executive Officer may reinstate the licence upon payment of the fee or penalty.

Surrender of licence

407.8 (1) A managing general agent may apply to the Chief Executive Officer for permission to surrender the managing general agent's licence.

Application

(2) The applicant shall submit the application to the Chief Executive Officer in the manner required by the Chief Executive Officer and shall give the Chief Executive Officer such information, evidence and materials as the Chief Executive Officer may require and pay the applicable fee.

Same

(3) The Chief Executive Officer shall allow the applicant to surrender the licence unless the Chief Executive Officer believes, on reasonable grounds, that the surrender of the licence is not in the public interest having regard to such criteria as may be prescribed by the Authority rules and such other factors as the Chief Executive Officer considers appropriate.

Same

(4) The Chief Executive Officer may impose conditions relating to the surrender of the licence.

Proposal to refuse application

(5) If the Chief Executive Officer proposes to refuse to allow the surrender of the licence, the Chief Executive Officer shall take the steps required under section 407.9.

Proposal to impose conditions

(6) If the Chief Executive Officer proposes to allow the surrender of the licence and, without the applicant's consent, impose conditions relating to its surrender, the Chief Executive Officer shall take the steps required under section 407.9.

Chief Executive Officer's proposal to refuse application, etc.

407.9 (1) Section 407.1 applies with necessary modifications if the Chief Executive Officer proposes to do any of the following things:

1. Refuse to issue a licence under this Part.
2. Issue a licence and, without the applicant's consent, impose conditions.
3. Amend a licence without the licensee's consent.
4. Refuse to renew a licence.
5. Renew a licence and, without the applicant's consent, amend the conditions to which the licence is subject.
6. Revoke a licence without the licensee's consent.
7. Suspend a licence without the licensee's consent, except by an interim order authorized under this Part.
8. Refuse to allow the surrender of a licence.
9. Allow the surrender of a licence and, without the licensee's consent, impose conditions relating to the surrender.

Notice of proposal

(2) A notice of proposal issued for the purposes of this section may be combined with a notice of proposal under section 407.1 or 441.3.

Insurer's compliance system

407.10 (1) Every insurer that enters into an agreement with a managing general agent shall establish and maintain a system that is reasonably designed to ensure that the managing general agent complies with this Act, the regulations, the Authority rules and the conditions of the managing general agent's licence.

Same

(2) The compliance system referred to in subsection (1) must include provisions for the monitoring of the compliance system of any managing general agent that is acting pursuant to an agreement with the insurer.

Same

(3) The compliance system referred to in subsection (1) must meet such requirements as are prescribed by the Authority rules.

Same

(4) The insurer shall meet such reporting requirements with respect to the compliance system as may be prescribed by Authority rule.

Record-keeping

407.11 The insurer shall keep such records as may reasonably be required to demonstrate compliance with its compliance system and any related Authority rules for a reasonable period of time.

Reporting requirements

407.12 Within 30 days of entering into, amending or terminating a managing general agent agreement, the insurer shall provide the following to the Chief Executive Officer:

1. Written notice of the agreement, amendment or termination.
2. A copy of the agreement and any amendments to it.
3. If the agreement is terminated, the reason for the termination.

Offence

407.13 Every person who acts as a managing general agent in Ontario without the licence required by this Part, or does so while the person's licence is suspended, is guilty of an offence.

Special rules — licences to partnerships

407.14 (1) The following rules apply with respect to a partnership that holds a managing general agent licence:

1. The licence may be revoked or suspended as to one or more members of the partnership.
2. If the partnership is terminated before the expiration of the licence, the partners shall forthwith give notice to the Chief Executive Officer.
3. If a notice is given under paragraph 2, the partnership's licence shall be revoked.

Same, offence

(2) A member of a partnership licensed under this Part who contravenes any of its provisions is guilty of an offence.

Special rules — licences to corporations

407.15 (1) The following rules apply to with respect to a corporation that holds a managing general agent licence:

1. If the corporation is dissolved or its instrument of incorporation is revoked, the corporation shall forthwith give notice to the Chief Executive Officer.
2. If a notice is given under paragraph 1, the corporation's licence shall be revoked.

Same, offence

(2) An officer of a corporation licensed under this Part who contravenes any of its provisions is guilty of an offence and personally liable therefor, although such contravention is committed in the name and on behalf of the corporation, and the corporation is liable for any such contravention the responsibility for which cannot be placed upon any such officer.

24 Paragraphs 4 and 5 of subsection 442.1 (1) of the Act are amended by striking out “or adjuster” wherever it appears and substituting in each case “adjuster or managing general agent”.

25 (1) Subsection 442.2 (1) of the Act is amended by striking out “or broker” wherever it appears and substituting in each case “broker or managing general agent”.

(2) Subsection 442.2 (3) of the Act is amended by striking out “or person” and substituting “managing general agent or person”.

26 The French version of the following provisions of the Act is amended by striking out “en lui remettant” wherever it appears and substituting in each case “lui remet” and by striking out “en acquittant” wherever it appears and substituting in each case “acquitte”:

1. Subsection 288.5 (1).
2. Subsection 288.6 (9).
3. Subsection 392.3 (1).
4. Subsection 392.4 (7).
5. Subsection 392.7 (2).
6. Subsection 397 (4).

Commencement

27 (1) Except as otherwise provided in this section, this Schedule comes into force on the day the *Building Ontario For You Act (Budget Measures), 2024* receives Royal Assent.

- (2) Sections 1 and 2, subsections 3 (2) and (3) and 4 (1) to (5), sections 5 to 8 and 10 to 17, subsections 18 (2) and (3) and 19 (1) and (3) and sections 20 to 25 come into force on a day to be named by proclamation of the Lieutenant Governor.**
- (3) Subsection 4 (6) comes into force on the second anniversary of the day subsection 4 (5) of this Schedule comes into force.**

**SCHEDULE 11
INTERIM APPROPRIATION FOR 2025-2026 ACT, 2024**

Interpretation

1 Expressions used in this Act have the same meaning as in the *Financial Administration Act* unless the context requires otherwise.

Expenses of the public service

2 Pending the voting of supply for the fiscal year ending on March 31, 2026, amounts not exceeding a total of \$198,334,462,900 may be paid out of the Consolidated Revenue Fund or recognized as non-cash expenses to be applied to the expenses of the public service that are not otherwise provided for.

Investments of the public service

3 Pending the voting of supply for the fiscal year ending on March 31, 2026, amounts not exceeding a total of \$6,076,426,400 may be paid out of the Consolidated Revenue Fund or recognized as non-cash investments to be applied to the investments of the public service in capital assets, loans and other investments that are not otherwise provided for.

Expenses of the Legislative Offices

4 Pending the voting of supply for the fiscal year ending on March 31, 2026, amounts not exceeding a total of \$355,400,500 may be paid out of the Consolidated Revenue Fund to be applied to the expenses of the Legislative Offices that are not otherwise provided for.

Charge to proper appropriation

5 All expenditures made or recognized under this Act must be charged to the proper appropriation following the voting of supply for the fiscal year ending on March 31, 2026.

Commencement

6 The Act set out in this Schedule comes into force on April 1, 2025.

Short title

7 The short title of the Act set out in this Schedule is the *Interim Appropriation for 2025-2026 Act, 2024*.

SCHEDULE 12
MINISTRY OF TRAINING, COLLEGES AND UNIVERSITIES ACT

1 The *Ministry of Training, Colleges and Universities Act* is amended by adding the following section:

Medical school admissions

16.0.1 (1) A publicly-assisted university shall admit students into a medical health education program in respect of an academic year in accordance with the following rules:

1. At least 95 per cent, or if prescribed, the prescribed percentage, of students admitted into the program for the academic year must be ordinarily resident in Ontario.
2. Of the remaining students admitted into the program for the academic year, each student must be,
 - i. a Canadian citizen,
 - ii. a permanent resident within the meaning of the *Immigration and Refugee Protection Act* (Canada),
 - iii. a protected person within the meaning of subsection 95 (2) of that Act, or
 - iv. a prescribed person or belong to a prescribed class of persons.

Exception, insufficient number of qualified applicants

(2) If there is an insufficient number of qualified applicants in respect of an academic year to enable a publicly-assisted university to comply with paragraph 1 of subsection (1), the university may admit a lower percentage of students who are ordinarily resident in Ontario for that year.

Regulations

- (3) The Lieutenant Governor in Council may make regulations,
- (a) governing the admission of students into medical health education programs, including prescribing a percentage, if any, for the purposes of paragraph 1 of subsection (1);
 - (b) prescribing persons or classes of persons for the purpose of subparagraph 2 iv of subsection (1);
 - (c) defining “medical health education program” and “ordinarily resident in Ontario” for the purposes of this Act and the regulations.

Commencement

2 This Schedule comes into force on July 1, 2025.

**SCHEDULE 13
MUNICIPAL ACT, 2001**

1 The *Municipal Act, 2001* is amended by adding the following section:

Sharing of tax information

338.4.1 (1) In this section,

“land transfer tax information” means information obtained by the Minister of Finance in the administration or enforcement of the *Land Transfer Tax Act*; (“renseignements sur les droits de cession immobilière”)

“personal information” has the same meaning as in the *Freedom of Information and Protection of Privacy Act*; (“renseignements personnels”)

“vacant units tax information” means, with respect to a municipality, information obtained by the municipality in the administration or enforcement of a by-law mentioned in subsection 338.2 (1). (“renseignements sur l’impôt sur les logements vacants”)

Disclosure

(2) The Minister of Finance, or a person authorized by the Minister of Finance, may disclose to a municipality land transfer tax information that relates to conveyances of land in the municipality, and a municipality may disclose vacant units tax information to the Minister of Finance, if the information to be disclosed is for use by the Minister of Finance or the municipality, as the case may be, for any of the following purposes:

1. The administration or enforcement of a tax.
2. The development or evaluation of economic, fiscal or tax policy.

Personal information

(3) The Minister of Finance, a person authorized by the Minister of Finance or a municipality may collect and disclose personal information under subsection (2).

Limits on collection

(4) The Minister of Finance, a person authorized by the Minister of Finance or a municipality shall not collect more personal information under this section than is reasonably necessary to serve the purpose of the collection.

Notice

(5) The notice required by subsection 39 (2) of the *Freedom of Information and Protection of Privacy Act* or subsection 29 (2) of the *Municipal Freedom of Information and Protection of Privacy Act* may be given by a public notice posted on,

- (a) if personal information is being collected by the Minister of Finance, a website of the Government of Ontario; or
- (b) if personal information is being collected by a municipality, a website of the municipality.

Commencement

2 This Schedule comes into force on the day the *Building Ontario For You Act (Budget Measures), 2024* receives Royal Assent.

SCHEDULE 14
ONTARIO LOTTERY AND GAMING CORPORATION ACT, 1999

1 Subsection 4 (2) of the *Ontario Lottery and Gaming Corporation Act, 1999* is amended by striking out “the approval of the Chair of Management Board and the Minister of Finance and on the terms set by them” at the end and substituting “the Minister’s approval, which may be subject to such terms and conditions as the Minister considers advisable”.

2 Subsection 9 (1) of the Act is amended by striking out “satisfactory to the Minister of Finance” at the end.

3 Subparagraph 5 ii of subsection 14 (1) of the Act is amended by striking out “and the Minister of Finance” at the end.

Commencement

4 This Schedule comes into force on the day the *Building Ontario For You Act (Budget Measures), 2024* receives Royal Assent.

SCHEDULE 15
SUPPLEMENTARY INTERIM APPROPRIATION FOR 2024-2025 ACT, 2024

Interpretation

1 Expressions used in this Act have the same meaning as in the *Financial Administration Act* unless the context requires otherwise.

Additional amounts to be paid or recognized

2 All amounts authorized under sections 3, 4 and 5 to be paid out of the Consolidated Revenue Fund or recognized as non-cash expenses or non-cash investments are in addition to the amounts authorized to be paid out of the Consolidated Revenue Fund or recognized as non-cash expenses or non-cash investments under sections 2, 3 and 4 of the *Interim Appropriation for 2024-2025 Act, 2023*.

Expenses of the public service

3 Pending the voting of supply for the fiscal year ending on March 31, 2025, amounts not exceeding a total of \$10,323,269,200 may be paid out of the Consolidated Revenue Fund or recognized as non-cash expenses to be applied to the expenses of the public service that are not otherwise provided for.

Investments of the public service

4 Pending the voting of supply for the fiscal year ending on March 31, 2025, amounts not exceeding a total of \$173,480,600 may be paid out of the Consolidated Revenue Fund or recognized as non-cash investments to be applied to the investments of the public service in capital assets, loans and other investments that are not otherwise provided for.

Expenses of the Legislative Offices

5 Pending the voting of supply for the fiscal year ending on March 31, 2025, amounts not exceeding a total of \$31,360,400 may be paid out of the Consolidated Revenue Fund to be applied to the expenses of the Legislative Offices that are not otherwise provided for.

Charge to proper appropriation

6 All expenditures made or recognized under this Act must be charged to the proper appropriation following the voting of supply for the fiscal year ending on March 31, 2025.

Commencement

7 The Act set out in this Schedule is deemed to have come into force on April 1, 2024.

Short title

8 The short title of the Act set out in this Schedule is the *Supplementary Interim Appropriation for 2024-2025 Act, 2024*.

**SCHEDULE 16
TAXATION ACT, 2007**

1 (1) Subsection 15 (3) of the *Taxation Act, 2007* is amended by striking out “for a taxation year in respect of minimum tax” in the portion before the formula and substituting “for a taxation year ending before January 1, 2025 in respect of minimum tax”.

(2) Section 15 of the Act is amended by adding the following subsection:

Carryforward amount, 2025 and subsequent taxation years

(4) An individual’s carryforward amount for a taxation year ending after December 31, 2024 in respect of minimum tax is the amount calculated using the formula,

$$F \times G \times H$$

in which,

“F” is the amount deducted under section 120.2 of the Federal Act for the year,

“G” is the amount calculated by dividing “I” by “J” where,

“I” is the lowest tax rate for the year, and

“J” is the percentage in the description “A” in section 127.51 of the Federal Act, and

“H” is the Ontario allocation factor in respect of the individual for the year.

2 Subsection 16 (2) of the Act is repealed and the following substituted:

Gross tax amount

(2) For the purposes of subsection (1) and subject to subsection (3), the gross tax amount for a taxation year of an individual is the amount determined as follows:

1. Determine the amount, if any, by which the individual’s basic personal income tax for the year, as determined under subdivision a, exceeds the sum of all non-refundable tax credits under subdivision b that are deducted by the individual for the year.
2. Determine the amount of the individual’s additional tax, if any, payable for the year under sections 11 and 12.
3. Add the amounts determined under paragraphs 1 and 2.
4. The gross tax amount of the individual for the year is the amount, if any, by which the total amount determined under paragraph 3 exceeds the sum of all tax credits under subdivision d that are deducted by the individual for the year.

3 (1) Subsection 19.2 (3) of the Act is amended by striking out “taxation year is equal to” in the portion before the formula and substituting “taxation year ending before January 1, 2024 is equal to”.

(2) Section 19.2 of the Act is amended by adding the following subsection:

Basic additional tax, 2024 and subsequent taxation years

(3.1) An individual’s basic additional tax for a taxation year ending after December 31, 2023 is the amount calculated using the formula,

$$(G - H) \times I \times J$$

in which,

“G” is the amount, if any, by which the individual’s minimum amount for the year as determined under section 127.51 of the Federal Act exceeds the special foreign tax credit of the individual for the year, as determined under subsection 127.54 (2) of the Federal Act,

“H” is the amount that, but for section 120 of the Federal Act, would be determined under Division E of Part I of the Federal Act to be the individual’s tax payable under the Federal Act for the year,

“I” is the percentage calculated by dividing the lowest rate for the year by the percentage in the description of “A” in section 127.51 of the Federal Act, and

“J” is the individual’s Ontario allocation factor for the year.

4 The Act is amended by adding the following Part:

**PART IV.0.0.1
TAXPAYER AND CHILD REBATES**

Taxpayer rebate

Overpayment

103.1.1.1 (1) The Minister of Finance may pay a taxpayer rebate to an individual, other than a trust, in respect of the taxation year that ended on December 31, 2023 if the individual is deemed under subsection (2) to have made an overpayment of tax under this Act for that taxation year and if the requirements of this section are satisfied.

Eligibility for payment

(2) An individual is deemed to have made an overpayment of tax under this Act for the taxation year that ended on December 31, 2023, and is eligible to receive a taxpayer rebate in respect of that overpayment, if all of the following conditions are satisfied:

1. The individual had attained the age of 18 years of age on or before December 31, 2023.
2. The individual was a resident of Ontario on December 31, 2023.
3. The individual has filed a return of income under this Act for the taxation year that ended on December 31, 2023, on or before December 31, 2024 or before such later date as may be prescribed by the Minister of Finance.
4. The individual was not a bankrupt at any time in the 2024 calendar year.
5. The individual was not confined to a prison or similar institution at any time in the 2024 calendar year.
6. At the time of the payment, the individual's address is in Ontario and is not a prison or similar institution.

Payment amount

(3) The amount of the individual's taxpayer rebate is \$200.

Child rebate

Definitions

103.1.1.2 (1) In this section,

“qualified dependant” has the same meaning assigned by section 122.6 of the Federal Act; (“personne à charge admissible”)

“qualified relation” means, in respect of an individual, a person who was the individual's spouse or common-law partner on December 31, 2024. (“proche admissible”)

Overpayment

(2) The Minister of Finance may pay a child rebate to an individual, other than a trust, in respect of the taxation year that ended on December 31, 2023 if the individual is deemed under subsection (3) to have made an overpayment of tax under this Act for that taxation year and if the requirements of this section are satisfied.

Eligibility

(3) An individual is deemed to have made an overpayment of tax under this Act for the taxation year that ended on December 31, 2023 and is eligible to receive a child rebate in respect of that overpayment if either of the following apply:

1. The following conditions are satisfied:
 - i. One or more overpayments on account of the individual's liability under Part I of the Federal Act is deemed to have arisen under subsection 122.61 (1) of that Act during any month in 2024 or such later month prescribed by the Minister of Finance.
 - ii. The individual was resident in Ontario on December 31, 2023.
 - iii. The individual was not a bankrupt at any time in the 2024 calendar year.
 - iv. The individual was not confined to a prison or similar institution at any time in the 2024 calendar year.
 - v. At the time of the payment, the individual's address is in Ontario and is not a prison or similar institution.
2. The following conditions are satisfied:
 - i. The individual does not satisfy the conditions set out in paragraph 1 in respect of a child mentioned in subparagraph iii of this paragraph.
 - ii. The Minister has prescribed conditions for the purposes of this paragraph, and the individual satisfies those conditions.
 - iii. The individual,

- A. is a parent of a child born after December 31, 2005 and before January 1, 2025 or before such later date as may be prescribed by the Minister of Finance, or
- B. is an individual on which a child born after December 31, 2005 and before January 1, 2025 or before such later date as may be prescribed by the Minister of Finance is wholly dependent.

Amount payable

(4) The amount of an individual's child rebate is as follows:

1. Subject to subsections (5) and (6), if the conditions set out in paragraph 1 of subsection (3) are satisfied, the amount of a child rebate to which an individual is entitled is the amount calculated using the formula,

$$(A \times B) + (C \times D)$$

in which,

“A” is \$100,

“B” is the maximum number of qualified dependants in respect of which an overpayment on account of the individual's liability under Part I of the Federal Act that was deemed to have arisen during any month in the 2024 calendar year was in an amount determined by the formula in subsection 122.61 (1.1) of the Federal Act,

“C” is \$200, and

“D” is the maximum number of qualified dependants in respect of which an overpayment on account of the individual's liability under Part I of the Federal Act that was deemed to have arisen during any month in the 2024 calendar year was in an amount determined by the formula in subsection 122.61 (1) of the Federal Act.

2. If the conditions set out in paragraph 2 of subsection (3) are satisfied, the amount of a child rebate to which an individual is entitled to in respect of a child shall be determined under the rules prescribed by the Minister.

Same, maximum amount

(5) If paragraph 1 of subsection (4) applies, the maximum amount that may be included in all payments to any individual under that subsection in respect of a particular qualified dependant is \$200.

Same, Minister's determination

(6) If the total amount that would be included in respect of a particular qualified dependant in all payments to any individuals under paragraph 1 of subsection (4), but for subsection (5), exceeds \$200, the Minister of Finance may determine which individual or individuals are eligible to an amount in respect of that qualified dependant and the amount to which each of those individuals is entitled.

If individual and qualified relation would both be eligible

(7) Despite subsection (3), if an individual and the individual's qualified relation would both otherwise be eligible to receive the child rebate under this section in respect of a particular qualified dependant for the purposes of paragraph 1 of subsection (3) or a particular child referred to in paragraph 2 of that subsection, only one of them is eligible for the child rebate in respect of that qualified dependant or child, as the case may be.

Same, Minister's designation

(8) For the purposes of subsection (7), the Minister of Finance shall designate the individual who is eligible for the child rebate in respect of a particular qualified dependant or child, as the case may be.

Minister's determination final

(9) The Minister of Finance's determination under subsection (6) or designation under subsection (8) is final and not subject to review.

Determination by Minister of Finance

103.1.1.3 (1) If the Minister of Finance determines that an individual is eligible to receive a taxpayer rebate under section 103.1.1.1 or a child rebate under section 103.1.1.2, or both, the Minister shall pay the taxpayer rebate or the child rebate, or both, to that individual.

Extenuating circumstances

(2) For the purposes of subsection (1), the Minister of Finance may deem an individual who would otherwise not be eligible to receive the taxpayer rebate or the child rebate to be eligible if the Minister of Finance is satisfied that there are extenuating circumstances that caused the individual to not meet the conditions set out in subsection 103.1.1.1 (2) or 103.1.1.2 (3).

Determination by Minister final

(3) The Minister of Finance's determinations under subsections (1) and (2) are final and are not subject to review.

Time limit for payment

(4) Despite subsections (1) and (2) and subject to subsection (5), the Minister of Finance shall not make a payment in respect of the taxpayer rebate or the child rebate under this Part after March 31, 2026 or such later date as may be prescribed by the Minister of Finance, and no individual is entitled to receive a payment under this Part after that date.

Lost or expired cheque

(5) If the Minister of Finance's payment to an individual in respect of the taxpayer rebate or the child rebate was lost or expired, the Minister of Finance may reissue the payment on or before March 31, 2027 or such later date as may be prescribed by the Minister of Finance, but only if the original payment was made before March 31, 2026 or such later date if so prescribed for the purposes of subsection (4).

Miscellaneous rules**No set off**

103.1.1.4 (1) No portion of a taxpayer rebate or a child rebate shall be retained by the Minister of Finance and applied to reduce any debt to the Crown in right of Ontario or in right of Canada.

Repayment

(2) If the Minister of Finance determines that an individual received either a taxpayer rebate or a child rebate that the individual was not entitled to, the individual shall repay the Minister of Finance the amount of the taxpayer rebate or the child rebate paid to that individual.

Recovery of excess amounts

(3) An amount repayable under subsection (2) that has not been repaid to the Minister of Finance constitutes a debt to the Crown in right of Ontario and may be recovered by way of deduction, set-off or in any court of competent jurisdiction in proceedings commenced at any time or in any other manner provided by this Act.

Special circumstances

(4) If owing to special circumstances it is deemed unreasonable to demand repayment of the whole amount under subsection (2), the Minister of Finance may accept such amount as he or she considers appropriate.

No interest payable

(5) No interest is payable on the amount of a taxpayer rebate or a child rebate paid by the Minister of Finance under this Part or repayable by an individual under this Part.

No assignment, etc., of amounts

(6) An amount payable as a taxpayer rebate or a child rebate or an entitlement to the payment of either a taxpayer rebate or a child rebate shall not be assigned, charged, attached or given as security and shall not be garnished.

Arrangements for information

103.1.1.5 The Minister of Finance may enter into arrangements with the Federal Minister in relation to the collection, use and disclosure of information to facilitate the implementation and administration of this Part and the payment of a taxpayer rebate or a child rebate to which an individual is entitled under this Part.

Money appropriated by the Legislature

103.1.1.6 The money required for the purposes of this Part shall be paid out of the money appropriated for the purposes by the Legislature.

5 Section 104 of the Act is amended by adding the following subsection:**Same**

(2.1) Subsections 122.62 (9) and (10) of the Federal Act apply for the purposes of this section, in respect of the death of a qualified dependant that occurs after 2024, as if a reference in any of those provisions to Subdivision a.1 of Division E of Part I of the Federal Act were a reference to this section.

6 (1) Section 110 of the Act is amended by adding the following subsection:**General anti-avoidance rule**

(0.1) This section contains the general anti-avoidance rule, which,

- (a) applies to deny the tax benefit of avoidance transactions that result directly or indirectly either in a misuse of provisions of this Act, (or any of the enactments listed in subclauses (4) (a) (i) to (iv)) or an abuse having regard to those provisions read as a whole, while not preventing taxpayers from obtaining tax benefits contemplated by the Legislature and by the Parliament of Canada; and
- (b) strikes a balance between,

- (i) the Government of Ontario’s responsibility to protect the tax base and the fairness of the tax system, and
- (ii) taxpayers’ need for certainty in planning their affairs.

(2) The definition of “avoidance transaction” in subsection 110 (1) of the Act is repealed and the following substituted:

“avoidance transaction” means any transaction,

- (a) that, but for this section, would result, directly or indirectly, in a tax benefit, unless it may reasonably be considered that obtaining the tax benefit is not one of the main purposes for undertaking or arranging the transaction, or
- (b) that is part of a series of transactions, which series, but for this section, would result, directly or indirectly, in a tax benefit, unless it may reasonably be considered that obtaining the tax benefit is not one of the main purposes for undertaking or arranging the transaction; (“opération d’évitement”)

(3) The definition of “tax benefit” in subsection 110 (1) of the Act is repealed and the following substituted:

“tax benefit” means,

- (a) a reduction, avoidance or deferral of tax or other amount payable under this Act, the Federal Act, the *Corporations Tax Act* or an Act of a province of Canada that imposes a tax similar to a tax imposed under this Act or the Federal Act, and includes a reduction, avoidance or deferral of tax or of the amount that would be payable under this Act or under any of those Acts but for a tax treaty,
- (b) an increase in a refund of tax or other amount under this Act, the Federal Act, the *Corporations Tax Act* or an Act of a province of Canada that imposes a tax similar to a tax imposed under this Act or the Federal Act, and includes an increase in a refund of tax or other amount under this Act or under any of those Acts as a result of a tax treaty, or
- (c) a reduction, increase or preservation of an amount that could at a subsequent time,
 - (i) be relevant for the purpose of computing an amount referred to in clause (a) or (b), and
 - (ii) result in any of the effects described in clause (a) or (b); (“avantage fiscal”)

(4) Section 110 of the Act is amended by adding the following subsections:

Economic substance — effect

(4.1) If an avoidance transaction, or a series of transactions that includes the avoidance transaction, is significantly lacking in economic substance, this is an important consideration that tends to indicate that the transaction results in a misuse under clause (4) (a) or an abuse under clause (4) (b).

Economic substance — meaning

(4.2) Factors that establish that a transaction or series of transactions is significantly lacking in economic substance may include, but are not limited to, any of the following:

1. All or substantially all of the opportunity for gain or profit and risk of loss of the taxpayer, taken together with those of all non-arm’s length taxpayers (other than those non-arm’s length taxpayers who can reasonably be considered, having regard to the circumstances viewed as a whole, to have economic interests that are largely adverse from those of the taxpayer), remains unchanged, including because of,
 - i. a circular flow of funds,
 - ii. offsetting financial positions,
 - iii. the timing between steps in a series, or
 - iv. the use of an accommodation party.
2. It is reasonable to conclude that, at the time the transaction or series was entered into, the expected value of the tax benefit exceeded the expected non-tax economic return (which excludes both the tax benefit and any tax advantages connected to another jurisdiction).
3. It is reasonable to conclude that the entire, or almost entire, purpose for undertaking or arranging the transaction or series was to obtain the tax benefit.

(5) Section 110 of the Act is amended by adding the following subsections:

Penalty

(5.1) If subsection (2) applies to determine the tax consequences to a person for a taxation year in respect of a transaction that was not disclosed by the person in accordance with subsection 110.1 (1) or subsection 110.2 (1), the person is liable to a penalty for the taxation year equal to the amount determined by the formula,

$$(A + B) \times 25\% - C$$

in which,

“A” is the amount by which the tax payable by the person under this Act for the year exceeds the amount that would have been payable by the person under this Act for the year if subsection (2) had not applied in respect of the transaction,

“B” is the amount by which the total of all amounts, each of which is an amount that would have been deemed to be paid on account of the person’s tax payable under this Act for the year if subsection (2) had not applied in respect of the transaction, exceeds the total of all amounts that are deemed to be paid on account of the person’s tax payable under this Act for the year, and

“C” is the amount of any penalty payable by the person under subsection 121 (2), to the extent that the amount is in respect of the transaction or a series that includes the transaction and did not reduce the penalty payable by the person under this subsection in a preceding taxation year.

Penalty — exception

(5.2) Subsection (5.1) does not apply to a person in respect of a transaction if the person demonstrates that, at the time that the transaction was entered into, it was reasonable for the person to have concluded that subsection (2) would not apply to the transaction in reliance on the transaction or a series that includes the transaction being identical or almost identical to a transaction or series that was the subject of,

- (a) published administrative guidance or statements made by the Minister of Finance, the Federal Minister, or another relevant governmental authority; or
- (b) one or more court decisions.

(6) Section 110 of the Act is amended by adding the following subsection:

Application rules

(11) The following rules apply for the purposes of this section:

1. The definition of “avoidance transaction” in subsection (1), as it read immediately before the *Building Ontario For You Act (Budget Measures), 2024* received Royal Assent, continues to apply in respect of transactions that occurred before January 1, 2024.
2. The definition of “avoidance transaction” in subsection (1), as it read on the day the *Building Ontario For You Act (Budget Measures), 2024* received Royal Assent, is deemed to apply in respect of transactions that occur on or after January 1, 2024.
3. The definition of “tax benefit” in subsection (1), as it read immediately before the day the *Building Ontario For You Act (Budget Measures), 2024* received Royal Assent, continues to apply in respect of transactions that occurred before April 6, 2022.
4. The definition of “tax benefit” in subsection (1), as it read on the day the *Building Ontario For You Act (Budget Measures), 2024* received Royal Assent, is deemed to apply in respect of transactions that occur on or after April 6, 2022.
5. Subsections (4.1) and (4.2) are deemed to apply in respect of transactions that occur on or after January 1, 2024.
6. Subsections (5.1) and (5.2) are deemed to apply in respect of transactions that occur on or after June 20, 2024.

7 The Act is amended by adding the following section:

Notifiable transactions

110.2 (1) Section 237.4 of the Federal Act applies for the purposes of this Act in respect of a notifiable transaction entered into after June 22, 2023 or a notifiable transaction that is part of a series of transactions that is completed after June 22, 2023.

Same

(2) In the application of section 237.4 of the Federal Act for the purposes of this Act, references in that section to provisions of section 245 of the Federal Act shall be read as references to the comparable provisions of section 110 of this Act.

Definition

(3) In this section,

“notifiable transaction” has the same meaning as in subsection 237.4 (1) of the Federal Act.

Uncertain tax treatments

110.3 (1) Section 237.5 of the Federal Act applies for the purposes of this Act in respect of a reportable uncertain tax treatment of a corporation for a taxation year ending after June 22, 2023.

Definition

(2) In this section,

“reportable uncertain tax treatment” has the same meaning as in subsection 237.5 (1) of the Federal Act.

8 Subsection 125 (2) of the Act is amended by adding the following paragraph:

6. The amount of a penalty payable by the taxpayer under subsection 110 (5.1).

Commencement

9 (1) Except as otherwise provided in this section, this Schedule comes into force on the day the *Building Ontario For You Act (Budget Measures), 2024* receives Royal Assent.

(2) Section 2 is deemed to have come into force on April 19, 2016.

(3) Subsection 6 (1) is deemed to have come into force on June 20, 2024.