

## Waiver Provisions

### *Corporation Capital Tax Act*

This bulletin provides an overview of Section 29 of the *Corporation Capital Tax Act* (Act) limitation periods within which the administrator of corporation capital tax (administrator) may assess or reassess tax.

The information in this bulletin is provided for your convenience and guidance and is not a replacement for the legislation. The *Corporation Capital Tax Act* and Regulations can be found on the web at [www.gov.bc.ca/sbr](http://www.gov.bc.ca/sbr)

#### ***In this issue...***

- ***Statutory limitation period***
- ***Waiver of limitation period***
- ***Revocation of waiver***

### STATUTORY LIMITATION PERIOD

In most circumstances, the administrator must assess or reassess within 6 years from the date that a corporation capital tax return for the taxation year was delivered to the administrator. If the tax return is delivered by mail, the date of delivery is considered to be the date that the envelope, in which the return is delivered, is postmarked.

However under the following circumstances, the 6 year limitation period does not apply, and the administrator may assess or reassess at any time:

- if any person has made a misrepresentation or committed fraud in making the tax return or supplying information under the Act,
- if a corporation capital tax return has never been filed for the taxation year, or
- effective April 10, 2003, if the corporation has filed a waiver for the taxation year

with the administrator within 6 years from the date of delivery of the tax return for that taxation year.

### WAIVER OF LIMITATION PERIOD

*Bill 30, Provincial Revenue Statutes Amendment Act, 2003*, enacted on April 10, 2003, amended the Act to provide a voluntary waiver of the normal 6 year limitation period.

A waiver allows a corporation to voluntarily extend the 6 year assessment period for a taxation year in connection with a specific issue (s).

A waiver accommodates circumstances where there is insufficient time for an adequate resolution to an audit, and improves the accuracy of assessments by allowing additional time for further discussion and the collection of additional information before an assessment is made.

A corporation may waive the normal assessment period for a taxation year by filing a *Waiver of the Assessment Period* (**FIN 468**) form with the administrator. The form must be filed within the normal 6 year limitation period, and must be signed by an authorized signing officer of the corporation.

## REVOCATION OF WAIVER

Once a voluntary waiver has been filed, the administrator may assess or reassess at any time, but only on the specific issue identified in the waiver form. A corporation may revoke a voluntary waiver by filing a *Notice of Revocation of Waiver* (**FIN 482**) signed by an authorized signing officer of the corporation.

The waiver will remain in effect until 6 months after the date the corporation files the notice of revocation. A notice of revocation cannot be rescinded or cancelled after it has been filed.

## NEED MORE INFO?

This bulletin is provided for convenience and guidance.

For further information, please contact:

**Ministry of Small Business and Revenue  
Income Tax Branch  
PO Box 9444 Stn Prov Govt  
Victoria BC V8W 9W8**

**Telephone: 250 953-3082  
Fax: 250 356-0434**

**E-mail questions to:  
[ITBTaxQuestions@gov.bc.ca](mailto:ITBTaxQuestions@gov.bc.ca)**

**Information is also on the web at  
[www.gov.bc.ca/sbr](http://www.gov.bc.ca/sbr) While there, you can  
subscribe to our free electronic update  
service.**

**References:** *Corporation Capital Tax Act, Section 29; Bill 30, Provincial Revenue Statutes Amendment Act, 2003*