

General Information

GENERAL INFORMATION

Since September 1, 2004, Investissement Québec has charged a fee for issuing eligibility certificates for tax measures under its jurisdiction.

The tax measures concerned have been classified by category. The fees are based on a fee schedule and the terms specific to each of the following six categories:

- Category 1: Tax measures relevant to the concept of designated site
- Category 2: Tax measures relevant to an increase in total eligible payroll
- Category 3: Refundable tax credit for the production of multimedia titles
- Category 4: E-Commerce Place
- Category 5: Montréal Foreign Trade Zone at Mirabel (ZCIMM)
- Category 6: Refundable tax credit regarding major employment-generating projects

In this document, the term “certificate” refers to an attestation, a certificate, an advance ruling or a letter of intent.

Any interpretation of this document must take into account tax policy currently in force.

Request for change

A request for change filed after August 31, 2006 regarding a previously issued certificate will be subject to a fee varying from \$250 to the amount indicated in the fee schedule¹.

CATEGORY 1

Category 1 includes the following tax measures:

- New Economy Centres (CNE)
- Biotechnology Development Centres (CDB)
- Information Technology Development Centres (CDTI)
- Centre national des nouvelles technologies du Québec (CNNTQ)
- Cité Multimédia (CMM)

Initial Application for an Eligibility Certificate

A fee of \$500.00 is required for all initial applications for eligibility certificates submitted after August 31, 2004. If the application is rejected, no fees will be charged.

Annual Application for an Eligibility Certificate—Employees

Annual applications for eligibility certificates for a company whose taxation year ends after August 31, 2004 are subject to the fees established in the following schedule:

| Class | Number of employees | Fees |
|-------|---------------------|-------------|
| 1 | 1 to 4 | \$500.00 |
| 2 | 5 to 9 | \$1,000.00 |
| 3 | 10 to 24 | \$3,000.00 |
| 4 | 25 to 49 | \$6,250.00 |
| 5 | 50 to 74 | \$9,500.00 |
| 6 | 75 to 99 | \$12,500.00 |
| 7 | 100 to 199 | \$25,000.00 |
| 8 | 200 and over | \$50,000.00 |

For the initial year of application, the fees are established proportionately to the number of days between September 1, 2004 and the last day of the company's taxation year.

The **number of employees** used to determine the applicable fee class corresponds to the number of employees for which the company applies to Investissement Québec to receive a certificate for a given taxation year. This number

¹ Except for annual eligibility certificate applications – general component, where the amount of the filing expenditure varies between 0 and \$100 000. In that case, the fee for a request for change is \$150.00.

usually corresponds to the total number of employees appearing on the annual application for an eligibility certificate submitted by the company with respect to tax measures of the same category.

Annual Application for an Eligibility Certificate—Eligible Property

Annual applications for eligibility certificates for a company whose taxation year ends after August 31, 2004 are subject to the fees established in the following schedule:

| Class | Number of eligible properties | Fees |
|-------|-------------------------------|------------|
| 1 | 1 to 49 | \$500.00 |
| 2 | 50 to 99 | \$1,250.00 |
| 3 | 100 and over | \$3,000.00 |

For the initial year of application, the fees are established proportionately to the number of days between September 1, 2004 and the last day of the company's taxation year.

The **number of properties** used to determine the applicable fee class corresponds to the number of properties for which the company applies to Investissement Québec to receive a certificate for a given taxation year. This number usually corresponds to the total number of properties appearing on the annual application for an eligibility certificate submitted by the company.

Annual Application for an Eligibility Certificate—Foreign Specialist

A fee of \$500.00 is required for all annual applications for eligibility certificates—foreign specialist submitted after August 31, 2004. If the application is rejected, no fees will be charged.

Terms of payment

For initial applications for eligibility certificates, the payment of fees is required before the ruling is issued (you must wait until you receive your invoice before making your payment).

For annual applications for eligibility certificates, the payment of fees is required before the certificates is issued (you must wait until you receive your invoice before making your payment).

There are a variety of acceptable payment methods using authorized financial institutions² (counter, automatic teller machine or electronic transfer) or by mail (cheque, certified cheque or money order). Payment by cheque will result in an additional delay of five working days.

CATEGORY 2

Category 2 includes the following tax measures:

- Refundable tax credit for Gaspésie and certain Québec Maritime areas (GAS)
- Refundable tax credit for the Aluminum Valley (ALU)
- Refundable tax credit for Biotechnology Development in Certain Designated Sites (CDBD)
- Refundable tax credit for E-Commerce Activities (ZCE)
- Refundable tax credit for Processing Activities in Resource Regions (RR)
- Refundable tax credit for Innovation Centres (CI)
- Refundable tax credit for Nutraceuticals and Functional Foods (NAF)

Initial Application for an Eligibility Certificate

A fee of \$300.00 is required for all initial applications for eligibility certificates submitted after August 31, 2004. If the application is rejected, no fees will be charged.

Annual Application for an Eligibility Certificate—Employees

Annual applications for eligibility certificates **for calendar years 2004 and subsequent calendar years** are subject to the fees established in the following schedule:

| Class | Number of employees | Fees |
|-------|---------------------|-------------|
| 1 | 1 to 10 | \$300.00 |
| 2 | 11 to 25 | \$750.00 |
| 3 | 26 to 50 | \$1,000.00 |
| 4 | 51 to 75 | \$1,500.00 |
| 5 | 76 to 100 | \$2,000.00 |
| 6 | 101 to 200 | \$5,000.00 |
| 7 | over 200 | \$10,000.00 |

The **number of employees** used to determine the applicable fee class corresponds to the number of employees for which the company applies to Investissement Québec to receive a certificate for a given calendar year. This number usually corresponds to the total number of employees appearing on the annual application for an eligibility certificate—employees for the eligible calendar year submitted by the company.

Annual Application for an Eligibility Certificate—Foreign Specialist

A fee of \$500.00 is required for all annual applications for eligibility certificates—foreign specialist submitted after August 31, 2004. If the application is rejected, no fees will be charged.

Terms of payment

For initial applications for eligibility certificates, the payment of fees is required before the ruling is issued (you must wait until you receive your invoice before making your payment).

For annual applications for eligibility certificates, the payment of fees is required before the certificate is issued (you must wait until you receive your invoice before making your payment).

There are a variety of acceptable payment methods using authorized financial institutions² (counter, automatic teller machine or electronic transfer) or by mail (cheque, certified cheque or money order). Payment by cheque will result in an additional delay of five working days.

CATEGORY 3

Category 3 involves the two sections of the refundable tax credit for the production of multimedia titles:

- Specialized Corporations
- General Component

Initial Application for an Eligibility Certificate—General Section

A fee of \$100.00 is required for all initial applications for eligibility certificates submitted after August 31, 2006. If the application is rejected, no fees will be charged.

Annual Application for an Eligibility Certificate—General Section

Annual applications for eligibility certificates for multimedia titles submitted after August 31, 2006 are subject to the fees established in the following schedule:

| Class | Expenditures amount for production | Fees |
|-------|------------------------------------|------------|
| 1 | \$0 to \$100,000 | \$150.00 |
| 2 | \$100,001 to \$250,000 | \$350.00 |
| 3 | \$250,001 to \$500,000 | \$750.00 |
| 4 | \$500,001 to \$1M | \$1,500.00 |
| 5 | \$1M and over | \$3,000.00 |

Final Eligibility Certification Application —Specialized Corporations

Final eligibility certification applications for a company whose taxation year ends after August 31, 2004 are subject to the fees established in the following schedule:

| Class | Number of employees | Fees |
|-------|---------------------|-------------|
| 1 | 1 to 75 | \$6,250.00 |
| 2 | 76 to 199 | \$12,500.00 |
| 3 | 200 and over | \$25,000.00 |

For the initial year of application, the fees are established proportionately to the number of days between September 1, 2004 and the last day of the company's taxation year.

However, final eligibility certification applications submitted after August 31, 2006 will be subject to the fees established in the following schedule:

| Class | Number of employees | Fees |
|-------|---------------------|-------------|
| 1 | 1 to 75 | \$6,250.00 |
| 2 | 76 to 199 | \$12,500.00 |
| 3 | 200 to 499 | \$25,000.00 |
| 4 | 500 and over | \$50,000.00 |

The **number of employees** used to determine the applicable fee class corresponds to the total number of employees carrying out production work that is eligible for the purposes of the tax credit.

Terms of Payment

For general corporations, the payment of fees is required before the certificate (advance ruling or certificate) is issued, and for specialized corporations, before the final certificate is issued (you must wait until you receive your invoice before making your payment).

There are a variety of acceptable payment methods using authorized financial institutions² (counter, automatic teller machine or electronic transfer) or by mail (cheque, certified cheque or money order). Payment by cheque will result in an additional delay of five working days.

CATEGORY 4

Category 4 concerns the E-Commerce Place.

Initial Application for an Eligibility Certificate

A fee of \$500.00 is required for all initial applications for eligibility certificates submitted after August 31, 2004. If the application is rejected, no fees will be charged.

Annual Application for an Eligibility Certificate—Employees

Annual applications for eligibility certificates for a company whose taxation year ends after August 31, 2004 are subject to the fees established in the following schedule:

| Class | Number of employees | Fees |
|-------|---------------------|--------------|
| 1 | 1 to 50 | \$5,000.00 |
| 2 | 51 to 100 | \$10,000.00 |
| 3 | 101 to 500 | \$25,000.00 |
| 4 | 501 to 1,000 | \$50,000.00 |
| 5 | Over 1,000 | \$150,000.00 |

For the initial year of application, the fees are established proportionately to the number of days between September 1, 2004 and the last day of the company's taxation year.

The **number of employees** used to determine the applicable fee class corresponds to the number of employees for which the company applies to Investissement Québec to receive a certificate for a given taxation year. This number usually corresponds to the total number of employees appearing on the annual application an eligibility certificate submitted by the company.

Annual Application for an Eligibility Certificate—Foreign Specialist

A fee of \$500.00 is required for all annual applications for eligibility certificates—foreign specialist submitted after August 31, 2004. If the application is rejected, no fees will be charged.

Terms of Payment

For initial applications for eligibility certificates, the payment of fees is required before the ruling is issued (you must wait until you receive your invoice before making your payment).

For annual applications for eligibility certificates, the payment of fees is required before the certificates is issued (you must wait until you receive your invoice before making your payment).

There are a variety of acceptable payment methods using authorized financial institutions² (counter, automatic teller machine or electronic transfer) or by mail (cheque, certified cheque or money order). Payment by cheque will result in an additional delay of five working days.

CATEGORY 5

Category 1 concerns the Montréal Foreign Trade Zone at Mirabel (ZCIMM).

Initial Application for an Eligibility Certificate

A fee of \$500.00 is required for all initial applications for eligibility certificates submitted after December 31, 2004.

Annual Application for an Eligibility Certificate—Employees

Annual applications for eligibility certificate for a company whose taxation year ends after December 31, 2004 are subject to the fees established in the following schedule:

| Class | Number of employees | Fees |
|-------|---------------------|----------|
| 1 | 1 to 4 | \$500.00 |

| | | |
|---|--------------|-------------|
| 2 | 5 to 9 | \$1,000.00 |
| 3 | 10 to 24 | \$3,000.00 |
| 4 | 25 to 49 | \$6,250.00 |
| 5 | 50 to 74 | \$9,500.00 |
| 6 | 75 to 99 | \$12,500.00 |
| 7 | 100 to 199 | \$25,000.00 |
| 8 | 200 and over | \$50,000.00 |

For the initial year of application, the fees are established proportionately to the number of days between January 1, 2005 and the last day of the company's taxation year.

The **number of employees** used to determine the applicable fee class corresponds to the number of employees for which the company applies to Investissement Québec to receive a certificate for a given taxation year. This number usually corresponds to the total number of employees appearing on the annual certificate for the eligibility certificate submitted by the company.

Annual Application for an Eligibility Certificate—Eligible Property

Annual applications for eligibility certificates for a company whose taxation year ends after December 31, 2004 are subject to the fees established in the following schedule:

| Class | Number of eligible properties | Fees |
|-------|-------------------------------|-------------|
| 1 | 1 to 49 | \$1,500.00 |
| 2 | 50 to 99 | \$5,000.00 |
| 3 | 100 and over | \$10,000.00 |

For the initial year of application, the fees are established proportionately to the number of days between September 1, 2004 and the last day of the company's taxation year.

The **number of properties** used to determine the applicable fee class corresponds to the number of properties for which the company applies to Investissement Québec to receive a certificate for a given taxation year. This number usually corresponds to the total number of properties appearing on the annual application for an eligibility certificate submitted by the company.

Annual Application for an Eligibility Certificate—Foreign Specialist

A fee of \$500.00 is required for all annual applications for eligibility certificates—foreign specialist submitted after December 31, 2004.

Annual Application for an Eligibility Certificate—Fees Paid Regarding a Customs Brokerage Contract

A fee of \$150.00 is required for all annual applications for eligibility certificates regarding fees incurred under a customs brokerage contract filed after December 31, 2004.

Terms of Payment

For initial applications for eligibility certificates, the payment of fees is required before the ruling is issued (you must wait until you receive your invoice before making your payment).

For annual applications for eligibility certificates, the payment of fees is required before the certificates is issued (you must wait until you receive your invoice before making your payment).

There are a variety of acceptable payment methods using authorized financial institutions² (counter, automatic teller machine or electronic transfer) or by mail (cheque, certified cheque or money order). Payment by cheque will result in an additional delay of five working days.

CATEGORY 6

Category 6 concerns the refundable tax credit regarding major employment-generating projects.

Application for an Eligibility Certificate—Company and Contract (GPCE)

A fee of \$5000.00 is required for all applications for eligibility certificates—company and contract. If the application is rejected, no fees will be charged.

Annual Application for an Eligibility Certificate—Employees

Annual applications for eligibility certificates are subject to the fees established in the following schedule:

| Class | Number of employees | Fees |
|-------|---------------------|-------------|
| 1 | 1 to 50 | \$5,000.00 |
| 2 | 51 to 100 | \$10,000.00 |

| | | |
|---|--------------|--------------|
| 3 | 101 to 500 | \$25,000.00 |
| 4 | 501 to 1,000 | \$50,000.00 |
| 5 | Over 1,000 | \$150,000.00 |

The **number of employees** used to determine the applicable fee class corresponds to the number of employees for which the company applies to Investissement Québec to receive a certificate for a given taxation year. This number usually corresponds to the total number of employees appearing on the annual application for an eligibility certificate submitted by the company.

Terms of Payment

For initial applications for eligibility certificates, the payment of fees is required before the ruling is issued (you must wait until you receive your invoice before making your payment).

For annual applications for eligibility certificates, the payment of fees is required before the certificate is issued (you must wait until you receive your invoice before making your payment).

There are a variety of acceptable payment methods using authorized financial institutions² (counter, automatic teller machine or electronic transfer) or by mail (cheque, certified cheque or money order). Payment by cheque will result in an additional delay of five working days.

² Authorized financial institutions: Caisse populaire Desjardins, Banque CIBC, Banque de Montréal, Banque Nationale, Banque Royale, Banque Scotia, Banque TD Canada Trust, Banque HSBC.