

Ministry of Finance

March 2006

Highlights from the 2006 Ontario Budget – *Mining Tax Act*

6015

About this Notice

On March 23, 2006, a measure relating to the *Mining Tax Act* was proposed in the 2006 Ontario Budget. The proposed amendment must be passed by the Legislature and receive Royal Assent to become law.

Deduction of Fines and Penalties

In 2005, the federal government enacted legislation implementing its 2004 Budget measure to deny an income tax deduction for fines and penalties imposed under the law of a country, political subdivision of a country, or other body that has the authority to impose the fine or penalty. Ontario's *Corporations Tax Act* automatically adopted the federal provision.

The Ontario government proposes to apply the income tax restriction on deducting fines and penalties to the computation of tax payable under the *Mining Tax Act*. This measure would be effective for fines and penalties imposed after March 23, 2006.

For More Information

Please contact the Ministry Information Centre between 8:15 a.m. and 5 p.m.

- English: 1-800-263-7965 (Canada & U.S.)
- French: 1-800-668-5821 (Canada & U.S.)
- TTY (Teletypewriter): 1-800-263-7776

Website at www.trd.fin.gov.on.ca