Province of Alberta

ALBERTA PERSONAL INCOME TAX ACT

PERSONAL INCOME TAX WITHHOLDING REGULATION

Alberta Regulation 34/2001

Extract

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Note

All persons making use of this document are reminded that it has no legislative sanction. The official Statutes and Regulations should be consulted for all purposes of interpreting and applying the law.

(no amdt)

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Table of Contents

Definitions

1(1) Subject to subsection (4), those expressions defined in subsection 100(1) of the federal regulation have the same meaning for the purposes of this Regulation as are given to them by subsection 100(1) of the federal regulation.

(2) Subsection 100(2) of the federal regulation applies for the purposes of this Regulation.

(3) Section 1 of the *Alberta Personal Income Tax Act* applies to this Regulation.

(4) A reference to the "appropriate percentage" in a provision of the federal regulation that applies for the purposes of this Regulation is to be read as a reference to the "specified percentage".

(5) For the purposes of this Regulation and any provisions of the federal regulation that apply to this Regulation,

(a) "employee" means any person receiving remuneration who reports for work at an establishment of an employer in Alberta;

(b) "personal credits" means, in respect of a particular taxation year, the greater of

(i) the amount referred to in section 8(1)(c) of the *Alberta Personal Income Tax Act*, and

(ii) the aggregate of the credits that the employee would be entitled to claim for the year as calculated under sections 8, 9, 10, 13, 15, 16, 19 and 20 of the *Alberta Personal Income Tax Act* where "the specified percentage for the year" referred to in those sections is read as being equal to 1.

Deductions and withholdings

2 The amount to be deducted or withheld under subsection 153(1) of the federal Act as it applies to section 51 of the *Alberta Personal Income Tax Act* is the amount determined in accordance with this Regulation.

Periodic payments

3(1) Except as otherwise provided in this Regulation, the amount to be deducted or withheld by an employer from any payment of remuneration made to an employee in the employee's taxation year is, for each pay period, the amount determined in accordance with the following formula:

$$A \times \frac{(B-C)}{D}$$

where

A is the specified percentage;

B is the amount that is the notional remuneration calculated for the purposes of paragraph 102(1)(c) of the federal regulation;

C is the amount determined in the Schedule;

D is the maximum number of pay periods for the taxation year.

(2) Where an employee has elected under subsection 107(2) of the federal regulation, the notional remuneration for the purposes of subsection (1) is the lesser of the notional remuneration computed for the purposes of paragraph 102(1)(c) of the federal regulation and the estimated annual taxable income as determined under paragraph 102(2)(c) of the federal regulation.

Non-periodic payments

4 Subsections 103(1) to (6) of the federal regulation apply except that

(a) in paragraph (1)(a), the percentage amount shall be read as 5%,

(b) in subparagraph (4)(a)(ii), the percentage amount shall be read as 3%,

(c) in subparagraph (4)(b)(ii), the percentage amount shall be read as 7%, and

(d) in subparagraph (4)(c)(ii), the percentage amount shall be read as 10%.

Application of federal regulations

5(1) No amount shall be deducted or withheld from a payment in accordance with section 3 or 4, if no amount is to be deducted or withheld from a payment made in accordance with section 102 or 103 of the federal regulation.

(2) Subsection 102(5) and sections 106 to 109 of the federal regulation apply for the purposes of this Regulation to an employer and an employee and to the determinations made under this Regulation.

Coming into force

6 This Regulation applies to the 2001 and subsequent taxation years.

Schedule

1 For the purpose of determining C under section 3 of the Regulation,

(a) where the remuneration for the year is $12 900 or less, C is $12 900;

(b) where the amount of personal credits exceeds $30 000, C is the actual amount of personal credits;

(c) in any other case, C is the mid-point of the applicable range of personal credits as follows:

$12 900.01	-	$14 800.00
14 800.01	-	16 700.00
16 700.01	-	18 600.00
18 600.01	-	20 500.00
20 500.01	-	22 400.00
22 400.01	-	24 300.00
24 300.01	-	26 200.00
26 200.01	-	28 100.00
28 100.01	-	30 000.00