

1 (1) Paragraphs (a) and (b) of the definition *digital news subscription* in subsection 118.02(1) of the *Income Tax Act* are replaced by the following:

- (a) the agreement entitles an individual to access content of the qualified Canadian journalism organization in digital form and that content is primarily original written news; and
- (b) the qualified Canadian journalism organization does not hold a *licence* as defined in subsection 2(1) of the *Broadcasting Act*. (*abonnement aux nouvelles numériques*)

(2) Section 118.02 of the Act is amended by adding the following after subsection (3):

Ceasing to qualify

(4) For the purposes of subsection (1), if amounts paid under an agreement cease to be qualifying subscription expenses at any particular time in a calendar year and, at the particular time, the Minister has communicated or otherwise made available pursuant to paragraph 241(3.4)(b) that these amounts qualify as qualifying subscription expenses, amounts paid under that agreement are deemed to be qualifying subscription expenses — to the same extent that the amounts paid were considered to be qualifying subscription expenses immediately before the particular time — until the end of the calendar year in which the Minister communicates or otherwise makes available pursuant to paragraph 241(3.4)(b) that amounts paid under the agreement no longer qualify as qualifying subscription expenses.

Notice to individuals

(5) If an organization enters into a digital news subscription agreement with an individual and amounts paid under the agreement cease to be qualifying subscription expenses, the organization shall inform the individual that amounts paid under the agreement are no longer qualifying subscription expenses.

(3) Subsection (1) is deemed to have come into force on January 1, 2020.

2 (1) The portion of the definition *assistance* before paragraph (a) in subsection 125.6(1) of the Act is replaced by the following:

assistance means an amount, other than an amount received from the Aid to Publishers component of the Canada Periodical Fund or an amount deemed under subsection (2) to have been paid, that would be included under paragraph 12(1)(x) in computing the income of a taxpayer for any taxation year if that paragraph were read without reference to

(2) Paragraph (d) of the definition *eligible newsroom employee* in subsection 125.6(1) of the Act is replaced by the following:

- (d) spends at least 75% of their time engaged in the production of original written news content, including by researching, collecting information, verifying facts, photographing, writing, editing, designing and otherwise preparing content; and

(3) Paragraphs (a) to (d) of the definition *qualifying journalism organization* in subsection 125.6(1) of the Act are replaced by the following:

- (a) it does not hold a *licence*, as defined in subsection 2(1) of the *Broadcasting Act*; and
- (b) if it is a corporation having share capital, it meets the conditions in subparagraph (e)(iii) of the definition *Canadian newspaper* in subsection 19(5). (*organisation journalistique admissible*)

(4) The description of A in paragraph (a) of the definition *qualifying labour expenditure* in subsection 125.6(1) of the Act is replaced by the following:

- A is the lesser of 365 and the number of days in the taxation year in which the taxpayer is a qualifying journalism organization, and

(5) Subsection 125.6(2) of the Act is replaced by the following:

Tax credit

(2) A taxpayer (other than a partnership) that is a qualifying journalism organization at any time in a taxation year and that files a prescribed form containing prescribed information with its return of income for the year is deemed to have, on its balance-due day for the year, paid on account of its tax payable under this Part for the year an amount determined by the formula

$$\mathbf{0.25(A) - B}$$

where

- A** is the total of all amounts each of which is a qualifying labour expenditure of the qualifying journalism organization for the year in respect of an eligible newsroom employee; and
- B** is the amount received by the taxpayer from the Aid to Publishers component of the Canada Periodical Fund in the year.

Partnership — tax credit

(2.1) If a taxpayer (other than a partnership) is a member of a partnership (other than a specified member of the partnership) at the end of the last fiscal period of the partnership that ends in a taxation year of the taxpayer, the partnership is a qualifying journalism organization at any time in the fiscal period and the partnership files an information return in prescribed form containing prescribed information for the fiscal period, then the taxpayer is deemed to have, on their balance-due day for the taxation year, paid on account of their tax payable under this Part for the taxation year an amount determined by the formula

$$\mathbf{(0.25(A) - B)C/D}$$

where

- A** is the total of all amounts each of which is a qualifying labour expenditure of the qualifying journalism organization for the fiscal period in respect of an eligible newsroom employee;
- B** is the amount received by the qualifying journalism organization from the Aid to Publishers component of the Canada Periodical Fund in the fiscal period;
- C** is the specified proportion of the taxpayer for the fiscal period; and
- D** is the total of all specified proportions of members of the partnership for the fiscal period, other than members that are partnerships or specified members of the partnership.

Partnership — application rule

(2.2) In this section a taxpayer includes a partnership.

(6) Subsection 125.6(3) of the Act is replaced by the following:

When assistance received

(3) For the purposes of this Act other than this section, and for greater certainty, the amount that a taxpayer is deemed under subsection (2) or (2.1) to have paid for a taxation year is assistance received by it from a government immediately before the end of the year.

(7) Subsections (1) to (6) are deemed to have come into force on January 1, 2019.

3 (1) The definition *qualifying journalism organization* in subsection 149.1(1) of the Act is amended by striking out “and” at the end of paragraph (f), by adding “and” at the end of paragraph (g) and by adding the following after paragraph (g):

(h) it is primarily engaged in the production of original news content;

(2) Subsection (1) is deemed to have come into force on January 1, 2019.

4 (1) Paragraph 152(1)(b) of the Act is replaced by the following:

(b) the amount of tax, if any, deemed by subsection 120(2) or (2.2), 122.5(3), 122.51(2), 122.7(2) or (3), 122.8(4), 122.9(2), 122.91(1), 125.4(3), 125.5(3) or (3.001), 125.6(2) or (2.1), 125.7(2), 127.1(1), 127.41(3) or 210.2(3) or (4) to be paid on account of the taxpayer's tax payable under this Part for the year.

(2) Subsection (1) is deemed to have come into force on January 1, 2019.

5 (1) Paragraph 157(3)(e) of the Act is replaced by the following:

(e) 1/12 of the total of the amounts each of which is deemed by subsection 125.4(3), 125.5(3), 125.6(2) or (2.1), 127.1(1) or 127.41(3) to have been paid on account of the corporation's tax payable under this Part for the year.

(2) Paragraph 157(3.1)(c) of the Act is replaced by the following:

(c) 1/4 of the total of the amounts each of which is deemed by subsection 125.4(3), 125.5(3), 125.6(2) or (2.1), 127.1(1) or 127.41(3) to have been paid on account of the corporation's tax payable under this Part for the taxation year.

(2) Subsections (1) and (2) are deemed to have come into force on January 1, 2019.

6 (1) Subparagraph 163(2)(h)(i) of the Act is replaced by the following:

(i) the amount that would be deemed by subsection 125.6(2) or (2.1) to have been paid for the year by the person if that amount were calculated by reference to the information provided in the return filed for the year pursuant to that subsection

(2) Subsection (1) is deemed to have come into force on January 1, 2019.

7 (1) Subparagraph 164(1)(a)(ii) of the Act is replaced by the following:

(ii) before sending the notice of assessment for the year, where the taxpayer is a *qualified corporation* (as defined in subsection 125.4(1)), an *eligible production corporation* (as defined in subsection 125.5(1)) or a *qualifying journalism organization* (as defined in subsection 125.6(1)) and an amount is deemed under subsection 125.4(3), 125.5(3), 125.6(2) or (2.1) to have been paid on account of its tax payable under this Part for the year, refund all or part of any amount claimed in the return as an overpayment for the year, not exceeding the total of those amounts so deemed to have been paid, and

(2) Subsection (1) is deemed to have come into force on January 1, 2019.

8 (1) The Act is amended by adding the following after section 168:

Designation of Qualified Canadian Journalism Organizations

Date of designation

168.1 (1) If an organization is designated for the purpose of the definition *qualified Canadian journalism organization* in subsection 248(1), the organization is deemed to have become designated on the date that the application for designation of the organization was made, unless otherwise specified by the Minister.

Revocation of designation

(2) The Minister may, at any time, revoke the designation of an organization made for the purpose of the definition *qualified Canadian journalism organization* in subsection 248(1) and, for this purpose, the Minister shall take into account any recommendations of a body established for the purpose of that definition and referred to in paragraph (b) of that definition.

Notice and date of revocation

- (3)** If the designation of an organization is revoked under subsection (2),
- (a)** the Minister shall provide notice of the revocation to the organization in writing; and
 - (b)** the revocation is deemed to be effective as of the date on which the notice in paragraph (a) is sent, unless the Minister specifies an earlier date.

(2) Subsection (1) is deemed to have come into force on January 1, 2019.

9 (1) Paragraphs (a) and (b) of subsection 241(3.4) of the Act are replaced by the following:

- (a)** the names of each organization in respect of which an individual can be entitled to a deduction under subsection 118.02(2);
- (b)** information relating to the eligibility, for the deduction under subsection 118.02(2), of subscriptions offered by organizations referred to in paragraph (a); and
- (c)** the start and, if applicable, end of the period in which paragraph (a) or (b) applies in respect of any particular organization or subscription.

(2) Subsection (1) is deemed to have come into force on January 1, 2020.

10 (1) The portion of subparagraph (a)(v) of the definition *qualified Canadian journalism organization* in section 248(1) of the Act before clause (A) is replaced by the following:

- (v)** it is engaged in the production of original news content, which
- (2) Subparagraph (a)(vii) of the definition *qualified Canadian journalism organization* in subsection 248(1) of the Act is amended by adding “or” at the end of clause (A), by replacing “or” at the end of clause (B) with “and” and by repealing clause (C).**

(3) Subsections (1) and (2) are deemed to have come into force on January 1, 2019.

