

**1 (1) Section 125.7 of the *Income Tax Act* is amended by adding the following after subsection (11):**

**Deeming rule – qualifying rent expense**

**(12)** For the purposes of the definition *qualifying rent expense* in subsection (1), an amount is deemed to have been paid by an eligible entity on the date it first became due under an agreement, and not at a later date, if the individual referred to in paragraph (b) of the definition *qualifying renter* attests that the eligible entity intends to pay the amount due under the agreement no later than 60 days after the day on which the Minister makes the first refund under subsection 164(1.6) in respect of the amount deemed to have been paid (referred to in subsection (13) as the “payment deadline”).

**Deeming rule – qualifying rent expense**

**(13)** Subsection (12) is deemed not to have produced its effect if the amount due referred to in subsection (12) is not actually paid on or before the payment deadline.

**(2) Subsection (1) is deemed to have come into force on September 27, 2020.**