

# Bill 32

## Financial Statutes Amendment Act, 2024

Bill 32: the *Financial Statues Amendment Act* is an omnibus bill that includes the following proposed changes:

##### Alternative Finance Mortgages

Alberta is enabling provincially regulated financial institutions to offer alternative finance mortgages, helping Albertans buy a home in accordance with their faith.

If legislation is passed, Alberta would be the first jurisdiction in Canada to enact legislative and regulatory changes that explicitly permit alternative finance mortgages through provincially regulated financial institutions in Canada.

There is no requirement for institutions to offer these products, which would be available to all Albertans.

If the legislation is passed, it is anticipated that interested financial institutions would begin offering these products in 2025.

##### Indexation

Amendments to several acts would implement a new legislative framework for indexation, including the *Alberta Personal Income Tax Act,* the *Assured Income for the Severely Handicapped Act,* the *Income and Employment Supports Act,* the *Seniors Benefit Act,* the *Alberta Housing Act* and the *Health Statutes Amendment Act, 2020*.

These amendments would establish a standard escalator for social benefits and personal income tax system. The amendments would also increase amounts by two per cent for 2025, in line with inflation for this year.

The standardized increases across programs would make sure there is better alignment across government in how indexation is applied, as well as give the government more flexibility in managing indexation and responding to emerging priorities.

##### Tax on Electric Vehicles

Amendments to the *Fuel Tax Act* would implement an annual $200 tax on electric vehicles. The amendments would establish the rules for the application and collection of the tax.

The tax would be collected by registry agents when electric vehicle owners register their vehicle. Electric motorcycles and electric off-highway vehicles, such as ATVs, would be exempt from the electric vehicle tax, as would hybrid vehicles.

The legislative amendments also include other provisions for the administration of the tax, including rules for refunds and exemptions for governments, diplomats and First Nations bands and individuals with a registered address on reserve.

The legislation would come into effect on proclamation. The start date for the tax is still to be confirmed but is targeted for early in 2025.

##### Alberta Child and Family Benefit

This bill proposes to change Alberta Child and Family Benefit payments to allow parents of deceased children to receive benefit payments for the six months after their child passes away.

This change would come into effect on Jan. 1, 2025, and Albertans would first see the impacts of this change on the quarterly payment sent out in February 2025.

These amendments would align with similar federal changes under the Canada Child Benefit program.

##### *Alberta Personal Income Tax Act* (Technical Amendments)

Amendments to the *Alberta Personal Income Tax Act* would align Alberta with how other provinces tax individuals with a specific type of income, known as split income, who also pay taxes in more than one province.