



Issue Date: <b>May 2008</b>	Amended Date: <b>August 15, 2019</b>	Responsible Agency: <b>Office of the Comptroller General</b>	Directive No: <b>905</b>
Chapter: <b>Control of Revenues</b>			
Directive Title: <b>TAXES - GENERAL</b>			

## 1. POLICY

*Section 23 (j) of the Nunavut Act* gives the Legislature power to make laws in relation to direct taxation within Nunavut in order to raise revenue for territorial, municipal or local purposes.

## 2. DIRECTIVE

The Minister of Finance, with the approval of the Executive Council and the recommendation of the Financial Management Board, shall present to the Legislature all requests for new taxes or the repeal of existing taxes. Existing taxes may be modified either by legislation, or where permitted, through regulation.

This directive applies to all government departments and public agencies.

## 3. PROVISIONS

- 3.1. Any requests to the Legislature relating to taxes must contain clear and complete details of the nature of the tax, any exemptions, applicable rates, penalties and remittance requirements.
- 3.2. The Deputy Head of the Department of Finance shall ensure that procedures are in place to collect all taxes and penalties that are due to the Government in an efficient and effective manner.
- 3.3. The following are the acts under which taxation is presently levied and collected by the Government:



- a) *Income Tax Act*,
- b) *Property Assessment and Taxation Act*,
- c) *Tobacco Tax Act*,
- d) *Payroll Tax Act*,
- e) *Petroleum Products Tax Act*,
- f) *Insurance Act (Nunavut)*.

These acts are administered by the Department of Finance.

- 3.4. Nunavut's share of the excise tax under the *Cannabis Act* is levied and collected on behalf of the Government by the Government of Canada. These taxes are then remitted back to the Government.
- 3.5. The Government of Canada levies and collects taxes in Nunavut under the *Greenhouse Gas Pollution Pricing Act*. These taxes are then remitted back to the Government.
- 3.6. The taxation aspect of any act that may be approved by the Legislature shall be administered by the Department of Finance.
- 3.7. Where authorized by an act, the Department of Finance may enter into information sharing agreements with the Canada Revenue Agency and with provincial and territorial governments to enable reciprocal enforcement of laws respecting taxation.