



CHAPTER 61

An Act respecting reciprocal insurance and to amend the
Corporation Tax Act

[Assented to, the 24th of March, 1926]

HIS MAJESTY, with the advice and consent of the
Legislative Council and of the Legislative Assembly
of Quebec, enacts as follows:

1. The Quebec Insurance Act (Revised Statutes, 1925, R. S., c. 243, chapter 243) is amended by adding thereto, after division s. 215a, xx thereof, the following division and section: added.

“DIVISION XXa

“*Reciprocal Insurance*

“**215a.** Notwithstanding any law to the contrary, it Reciprocal shall be lawful for persons, firms, companies and corpora- insurance. tions to exchange, enter into and carry out reciprocal contracts of indemnity or inter-insurance to provide indemnity against loss by fire or other contingency, provided that the Proviso. parties to such contracts have complied with the provisions of the Corporation Tax Act (Revised Statutes, 1925, chapter 26).”

2. Section 5 of the Corporation Tax Act (Revised Stat- R. S., c. 26, utes, 1925, chapter 26) is amended: s. 5, am.

a. By inserting therein, after the number: “3”, in the fourth line thereof, the following words: “and upon persons, firms, companies or corporations entering into contracts of reciprocal insurance”;

b. By inserting therein, after subsection 4 of subdivision III of said section 5, the following subsection:

“4a. In the case of persons, firms, companies or cor- Reciprocal porations, parties to any contract of indemnity upon the insurance tax.

plan known as inter-insurance or reciprocal insurance, a tax of 1% on the net premium or premiums paid by such persons, firms, companies or corporations in connection with such contract. Any declaration or act necessary in connection with the payment of such tax may be made by the attorney recognized by the contracting parties as their intermediary, and such tax may be paid by such attorney out of the moneys in his hands belonging to the contracting parties or held for them. The other provisions of this act shall apply *mutatis mutandis*."

Declaration
through
attorney.

Provisions
applicable.

Coming into
force. **3.** This act shall come into force on the day of its sanction.
