Update on the Enmax Case: A “Reasonable” Outcome?

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It may not have been the collision of two worlds, but there is at least a fender bender to deal with. In *Enmax Energy Corporation v. Alberta*, the Alberta Court of Appeal ("ACA") recently reversed the decision of the trial court that had allowed two subsidiaries of Enmax Corporation ("ENMAX") to deduct interest paid on three inter-company loans at rates of 11.5 per cent, 10.3 per cent, and 9.9 per cent.1 Although both the trial court and the ACA spent a lot of time on the principles of interest deductibility related case law and legislation, the ACA went to great pains to describe its decision as being driven by regulatory as opposed to tax considerations.

>> Read the full post here

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