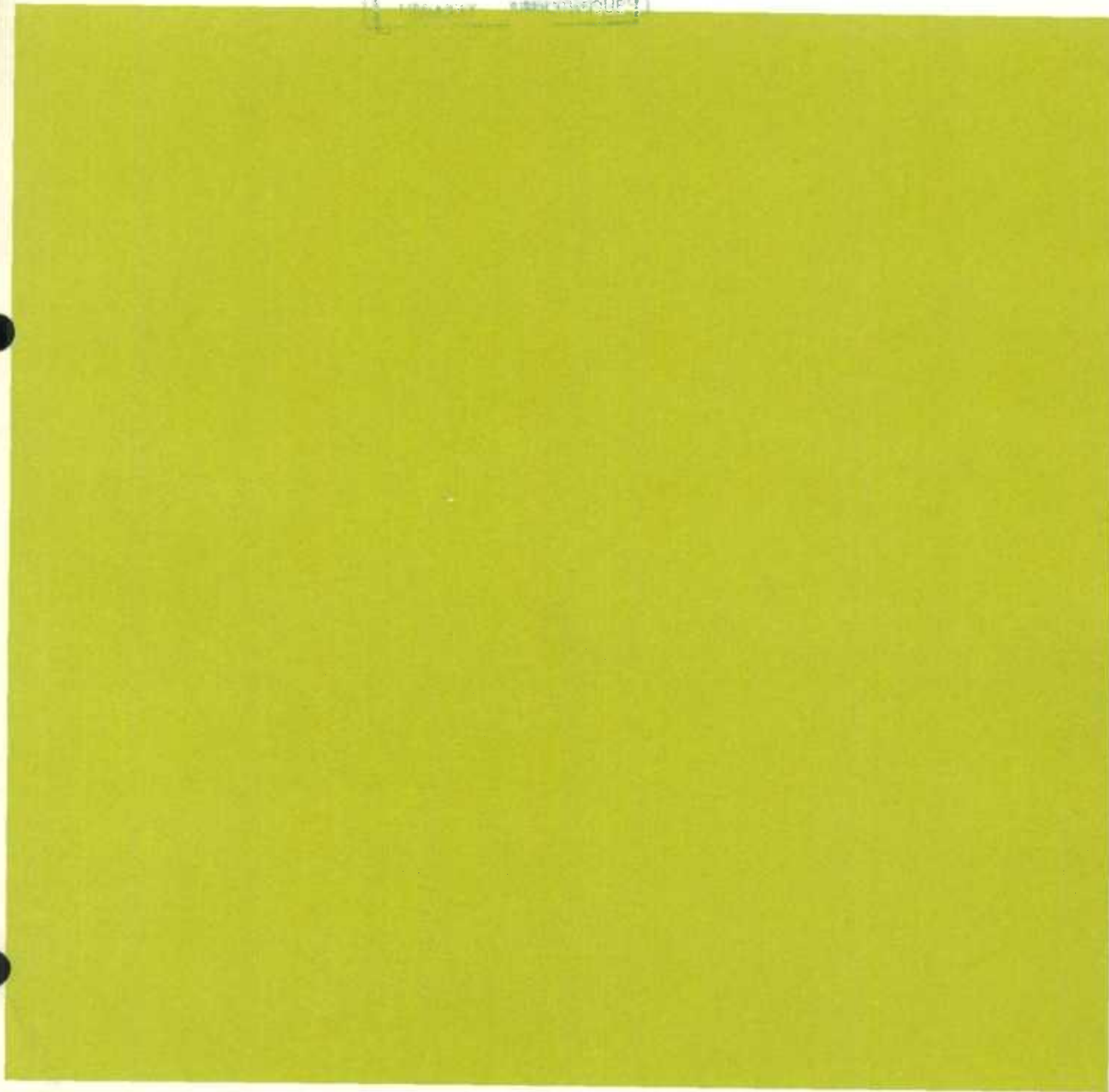
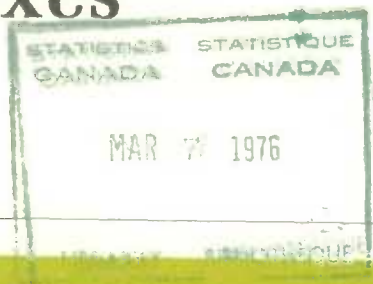


Principal taxes in Canada

1975



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INTRODUCTION

This publication presents a summary of the principal taxes levied in Canada during 1975. While in earlier issues these taxes were arranged by type, they are now presented under the level of government which levies them. It is believed that this grouping will facilitate the comparison of taxes levied by governments at the same level. The exposé comprises four parts which are preceded by a general commentary.

Part

I. Taxes levied by the Federal Government

II. Taxes levied by Provincial Governments

III. Taxes levied by Municipal Governments

IV. Historical Tables of Selected Taxes

The principal levies in force as at and changes proposed prior to July 1, 1975, whether or not implemented at that date, are taken into account herein.

GENERAL COMMENTARY

Canada is a federal state with a central government, ten provincial governments and two territorial administrations. The British North America Act, adopted in 1867, forms the written constitution of the country. Sections 91 and 92 of the Act indicate the distribution of powers between the federal parliament and the provincial legislatures. Under Section 91, the federal parliament was given unlimited taxing powers while, under Section 92, the provincial legislatures were granted the power of relying on "direct taxation within the province in order to the raising of a revenue for provincial purposes".

At that time, the difference between direct and indirect taxation rested principally on a definition of direct taxes formulated by J.S. Mill, namely "A direct tax is one which is demanded from the very person who it is intended or desired should pay it."¹ According to this definition, personal and corporation income taxes as well as succession duties are direct taxes in the most conventional sense of the term. However, other types of direct taxes have been developed over the years, including a large array of sales taxes which are paid by the ultimate purchaser or user of goods and services. As a result, the field of indirect taxation has been gradually narrowed down and presently comprises only a limited number of taxes, e.g., customs duties, excise levies and sales taxes paid at an intermediate stage of marketing, such as the federal sales tax levied on manufacturers.

In addition to the levying of direct taxes, the BNA Act also allows provinces to impose licences, permits, rights and royalties on a wide range of activities taking place within a province. It also empowers provincial legislatures to make laws regarding "municipal institutions in the province". Hence, municipalities derive their incorporation with its associated powers, fiscal and otherwise, from the provincial government concerned.

Succession duties are among the oldest direct taxes levied in Canada since most provinces started to impose successions toward the end of the 19th century. To be in accord with the concept of direct taxation, only the part inherited by a beneficiary can be taxed.

Various court decisions have enlarged the meaning of this concept, however, so as to apply the main duty rate on the aggregate value of the succession and an additional rate on the value of each individual's share. As a result, the duty rate payable on the inheritance received by each heir is the sum of these two rates. The federal government entered this field of taxation in 1941 by establishing an estate tax, which is a tax levied on the entire value of an estate regardless of its distribution among the heirs. The federal estate tax lasted until the end of 1971 when it was abolished.

The federal government started to tax income in 1917, during the First World War, by levying a tax on the income of individuals and corporations, which was called the "Income War Tax" until 1948.

¹ J.S. Mill, *Principles of Political Economy*, Book V, Chapter iii.

Among the other levels of government in Canada, it is interesting to note that the city of Montreal was the first to levy an income tax. In 1935 it established this tax at 20% of the federal income tax. Local and provincial income taxes were abolished, however, in 1940 following the Federal-Provincial War Fiscal Arrangements.

Provinces' claims to income taxes reappeared after the Second World War. As a result, federal-provincial fiscal agreements, established mostly for a five-year period, were first implemented in 1952 under the form of tax sharing. These were modified in 1962 by Tax Collection Agreements. Under the latter agreements a given percentage of federal tax otherwise payable was abated in order to allow provincial governments to levy their own income taxes. At the same time, the federal government offered to collect, together with its own income tax, any income taxes that provincial governments would wish to levy. All provinces, except Quebec,

entered into collection agreements with the federal government.

With the advent of the modified Income Tax Act of 1972, the abatement mechanism was abandoned except under the form of fiscal compensations for provinces accepting the "opting-out" proposal in respect of a number of shared-cost federal-provincial programs. Only Quebec accepted the opting-out proposal. The fiscal compensation granted to Quebec, which in 1967 amounted to 22% of "basic tax", was adjusted to 24% in 1972 in keeping with the new determination of the base following the tax reform. Under the present fiscal arrangements, provincial personal income tax (except Quebec's income tax) is expressed as a percentage of federal tax whose rates have been established in a way as to replace the former abatements. The abatement system has been maintained regarding the corporation income tax and amounts, for all provinces, to 10% of corporation taxable income earned in a province as determined by the federal government for its own tax.

FEDERAL-PROVINCIAL FISCAL ARRANGEMENTS ACT, 1972

The modifications brought to the Income Tax Act in 1972, usually referred to as "The Federal Income Tax Reform", were described in the 1972 issue of this publication. An important measure governing federal-provincial fiscal relations was also amended and revised at that time, namely the "Federal-Provincial Fiscal Arrangements Act, 1972". A description of this Act and the Regulations made pursuant to it is given below. The Act, assented to March 29, 1972, comprises seven parts:

Part

- I. Provincial Revenue Equalization Payments
- II. Provincial Revenue Stabilization Payments
- III. Tax Collection Agreements
- IV. Provincial Tax Revenue Guarantee Payments
- V. Transfer Payments with Respect to Tax on 1971 Undistributed Income on Hand
- VI. Post-secondary Education Adjustment Payments
- VII. General.

A brief summary of each part follows, except Part VII which pertains to administrative matters.

Provincial Revenue Equalization Payments

The equalization program, as it is now known, was established in 1967 and revised in 1972. This revision, however, did not modify the basic philosophy: the redistribution of part of the nation's wealth among the

provinces. From its general revenue the federal government compensates any province whose per capita revenue is below the national average for reasons of a relative deficiency in its tax base. Thus, equalization payments are intended to ensure that all citizens are provided with reasonable standards of public services throughout the country.

According to the formula set out in the Federal-Provincial Fiscal Arrangements Act, 1972 and amendments, provincial revenue subject to equalization is divided into 20 revenue sources and for each of them an economic revenue base is defined uniformly for all provinces.

To determine the amount of equalization to which a provincial government is entitled, the province's population as a proportion of the all provinces' population and the province's revenue base as a proportion of the all provinces' revenue base for each of the 20 revenue sources are calculated. Where the former proportion is higher than the latter for any of the revenue sources, the province is said to have a fiscal capacity deficiency for that revenue source; if the magnitude of these proportions is reversed, the province is said to have a fiscal capacity excess. The total revenue of all provinces for each revenue source is multiplied by each province's respective fiscal capacity related to the appropriate revenue source and for any province, the amount of equalization payable is the sum total of the "deficiency" products less the sum total of the "excess" products.

Since the beginning of this program in 1967, seven of the ten provinces have received equalization payments: Newfoundland, Prince Edward Island, Nova Scotia, New Brunswick, Quebec, Manitoba and Saskatchewan.

Provincial Revenue Stabilization Payments

Through the stabilization formula the federal government ensures that a province's total net revenue will not be less than its immediately preceding year's net revenue if the rates and structure of its taxes remain unchanged during the two years involved. Prior to 1972, a province's revenue had to fall below 95% of its previous year's revenue to be entitled to a stabilization payment. The purpose of this program is to provide a minimum fiscal stability to the provinces, i.e., a floor under which provincial revenue cannot drop. To date no stabilization payments have been made.

Tax Collection Agreements

Tax Collection Agreements, replacing the tax-sharing system in operation since 1952, were introduced in 1962 under the Federal-Provincial Arrangements Act, 1962. According to these agreements, the federal government undertook to collect for the provinces their personal and corporation income taxes. All provinces, Quebec excepted, signed the agreements in respect of personal income tax, and all provinces, except Quebec and Ontario, in respect of corporation income tax.

An abatement system, introduced in 1962 and amended in 1967, facilitated the establishment by the provinces of their own tax rates. Under this system, the abatement was deducted in determining the federal personal income tax payable and the amount of this deduction plus any additional tax imposed by the province constituted the provincial personal income tax payable. The abatement was set, in 1967, at 28% of federal "basic tax" for personal income tax and at 10% of the taxable income of corporations for corporation income tax.

The 1967 Act was amended in 1972 in order to adjust the terms of the agreements to the Tax Reform Act introduced in 1971. The abatement system was then abandoned and the federal rates of personal income tax were adjusted downward for the full amount of the former provincial abatement. This downward adjustment corresponded to 30.5% of "basic federal tax" and is equivalent to the former 28% abatement. The provincial governments are free to specify a percentage rate, above or below 30.5%, and thereby determine the weights of their own personal income tax. They can also determine the weight of their corporation income tax by establishing percentage rates different from the federal abatement of 10%.

Provincial Tax Revenue Guarantee Payments

Following the implementation of the Tax Reform Act in 1972, the federal government provided a guarantee that for five years the provinces would not suffer a loss of personal and corporation income tax revenue as a result of adopting income tax acts modelled on the new federal act, provided that their rates are equivalent to those levied under their previous acts. Provincial personal income tax revenue is guaranteed at a yield level equal to that obtained through the projection of 1971 rates on an economic basis as determined in the related Regulations for each province. The calculation of revenue guarantee applicable to provincial corporation income tax revenue is made through an analysis of each corporation's income tax returns.

Transfer Payments with respect to Tax on 1971 Undistributed Income on Hand

Prior to the Income Tax Act reform, corporations could, in lieu of paying normal taxable dividends, elect to prepay, at a special rate of 15%, the shareholders' tax on earnings retained in the corporation. Such tax-paid earnings could then be distributed to shareholders free of tax. This provision was maintained in Part IX of the revised Income Tax Act for income earned prior to tax reform. Part V of the Federal-Provincial Fiscal Arrangements Act, 1972, ensures that the provinces receive a share of this prepaid tax, when tax-paid earnings are remitted to shareholders, through transfer payments from the federal government corresponding to 20% of the tax it had already collected.

Post-secondary Education Adjustment Payments

Part VI of the Federal-Provincial Fiscal Arrangements Act, 1972 extended for two years, i.e., until March 31, 1974, the provisions of the 1967 Act concerning federal contributions to the provinces in respect of post-secondary education. An amendment introduced in November 1973 further extended these arrangements to March 31, 1977 to coincide with the expiry date of the 1972 Act.

Under this program, the federal government finances the operating costs of the provinces' post-secondary education on the basis of either 50% of such costs or through a per capita grant of \$15 which is escalated by the year-over-year growth in the post-secondary education operating costs of all provinces. Total federal contributions are, however, subject to a ceiling of 15% annual increase. The \$15 per capita grant is more favourable to the 50% sharing for the provinces of Newfoundland, Prince Edward Island and New Brunswick.

As indicated earlier, fiscal arrangements are usually established for a five-year period, thus the present ones will end in March 1977. Part of these agreements are

either amended or adjusted in order to take into account changing conditions. Payments to the provinces under this Act are indicated below for fiscal year 1974-75.

Payments to the Provinces pursuant to the Federal-Provincial Fiscal Arrangements Act, 1972
1974-75

Part	\$'000
I. Equalization	1,800,294
II. Stabilization	-
III. Tax collections:	
Personal income tax	3,241,075
Corporation income tax	719,437
IV. Tax revenue guarantee:	
Personal income tax	418,549
Corporation income tax	56,640
V. Tax on 1971 undistributed income on hand	16,822
VI. Post-secondary education adjustments	498,720
Total payments	4,951,243

NOTE

In the tables of this publication, the statutory authority under which taxes are levied at the federal and provincial levels of government is provided. The proper name of the statute or revised statute is followed by the year of the statute or revised statute, its chapter, and a statement as to whether there have been subsequent amendments, i.e., Excise Tax Act; R.S.C. 1970, c. E13 and amendments.

PART I

TAXES LEVIED BY THE FEDERAL GOVERNMENT

TAXES LEVIED BY THE FEDERAL GOVERNMENT

The federal government levies a variety of taxes which apply throughout Canada. The principal of these:

income, sales and excise taxes, excise and custom duties and petroleum export charges, are dealt with below.

Income Taxes

Under Part I of the Income Tax Act, the federal government levies a tax on the taxable income of individuals and corporations resident in Canada, whether this income is derived from sources inside or outside the country. It also levies a tax on the taxable income of non-residents which is earned in Canada either from employment or from business carried on within Canada or from a gain on disposal of taxable Canadian property. Canada has entered into income tax conventions with several countries to avoid double taxation of the same income and to prevent fiscal evasion.

Personal Income Tax

For tax purposes, the determination of the income of individuals is made in three successive steps: the declaration of total income, the computation of net income and the determination of taxable income.

Total income of individuals includes earnings from the following sources:

- (a) Income from office or employment, i.e., salaries, wages, gratuities, commissions, benefits from employment, personal or living expenses, fees and allocations under profit sharing plans.
- (b) Income (or loss) from business or property, i.e., profits, interest, payments based on production or use (royalties or rents), dividends, partnership income, benefits from estates and employees profit sharing plans.
- (c) One half of realized capital gains or incurred losses.
- (d) Other sources of income, such as pension and unemployment insurance benefits, retiring allowances, death benefits, alimony, maintenance payments, annuity payments, adult training allowance, scholarships, bursaries, research grants and family allowances.

From the total income, certain deductions are permitted to determine the net income of individuals. These include the capital element of annuity payment, alimony and maintenance payments, tuition fees, contributions to a pension plan, deferred profit sharing plan, registered retirement savings plan, registered home-ownership savings plan, education savings plan, income averaging annuity contract, moving and child care expenses, depletion, exploration and development ex-

penses, and employment expenses to the lesser of 3% of employment income or \$150.

To arrive at taxable income, personal exemptions and deductions, as set out in Table 1, are applied to the composite of net income from all sources. The exemption of \$1,000 interest income from Canadian sources, introduced in 1974, will also apply to Canadian dividend income as of January 1, 1975. Also effective at the same date is the exemption of the first \$1,000 of pension receipts, other than from universal pension plans. Finally, the tax reduction introduced for the taxation year 1973 at the rate of 5% of personal income tax liability, with a maximum relief of \$500, subsequently raised to 8% and \$750 for the 1974 taxation year, was retained in the June 1975 budget, but the maximum relief was reduced to \$500.

More details about personal income tax rates, exemptions and deductions are given in Table 1. As may be noted therein, income levels in each rate brackets are 10.1% higher than in 1974 as a result of a comparable increase in the consumer price index.

Corporation Income Tax

For taxation purposes, income of corporations includes all returns derived from carrying on business or from holding property. Among such returns are operating profits, investment earnings (e.g., interests, dividends, rents and royalties) and gains resulting from the disposal of capital property. Expenses and outlays necessary to earn a particular type of income are subtracted from the relevant return as well as specified deductions to determine the taxable income of corporations. Taxable capital gains are the net difference between one half of realized capital gains and one half of related capital losses.

In its 1975 budget, the federal government introduced a tax credit of 5% against specified investments made, during the period June 24, 1975 and July 1, 1977, in new buildings, machinery and equipment for use in Canada. This credit has a five-year carry forward provision and is limited, in any one year, to \$15,000 plus one half of federal tax liability in excess of that amount. The budget also provided an exemption from non-resident withholding tax for interest on long-term

corporate bonds, debentures and other debt securities, including mortgages, issued after June 23, 1975 and before December 31, 1978. Effective January 1, 1976, the 50% rate of federal tax on resource production profits and the 15% abatement will be replaced by the 46% rate generally applicable to corporations. A resource allowance of 25% will be deductible, however, from production income.

Rates of corporation income taxes are set out in Table 1. There is also in the same table a brief description of special taxes levied under the Income Tax Act, namely taxes on taxable dividends received by private corporations, on investment income of life insurers, on income from Canada of non-residents, and additional taxes on earnings of Canadian branches of foreign corporations.

Other Important Taxes levied by the Federal Government

Table 2 sets out in detail the nature and the rates of other major taxes levied by the federal government, such as the consumption or sales tax, excise taxes and duties, customs duties and the petroleum export charge.

Consumption or Sales Tax

Under Part V of the Excise Tax Act, the federal government levies a tax (usually referred to as the manufacturers' sale tax) on the value of all goods produced in, or imported into Canada unless there is a specific exemption mentioned in the Act. For goods produced in Canada, the taxable value is the selling price of the manufacturer or the purchase price of a licensed wholesaler. Where goods are imported the tax is levied on the duty-paid-value of the goods. On most commodities, the rate is 12%; it is 5% on a wide range of building and construction materials. The latter was removed completely on insulation materials, such as double-pane glass, storm windows and doors, as of June 23, 1975. A list of goods which are either fully or partially exempt is given in Table 2. Luxury articles, specified in Schedules I and II to the Act, normally bear both the excise duty and the sales tax.

Excise Tax

The provisions of the Excise Tax Act also apply to specific commodities, transactions or activities. For instance, a tax on foreign insurance premiums is levied pursuant to Part I and on air transportation under Part II. A number of goods specified in Schedules I and II of Part III are also taxed. Whenever such goods are imported into Canada, taken out of a warehouse or manufactured in Canada and delivered to a purchaser, the excise tax is based on the duty-paid-value when imported, and on the sale or delivered price when made in Canada. The excise tax does not apply to exported goods.

Excise Duties

Under the Excise Act, the federal government levies duties upon the domestic production of tobacco

and alcoholic products other than wines. The difference between the excise tax and the excise duty resides in the fact that goods subject to the latter are carried on in bonded premises where they come under the control of the Crown until the duty is paid and is evidenced by a stamp or an approved imprint placed on the article. For similar imported products, the excise duty to be paid is included in the customs duty rates applicable.

Customs Duties

The federal government imposes customs duties on most imported commodities under the authority of the Customs Tariff; R.S.C. 1970, c. C41 and amendments. Imported articles are classified under various categories and a rate is fixed for each category, which is either a specific rate, i.e., so much per given quantity or volume, or an ad valorem rate, i.e., a percentage of the dutiable value of imported goods. This value is generally the fair market value in the country of export.

There are three categories of rates: (a) British preferential, which are the lowest, (b) most favoured nation, established under special agreements with various countries and (c) general, which apply to imports from all other countries not covered by (a) and (b).

The tariff schedules are too lengthy and complex to be reproduced in this publication. Rates pertaining to particular items may be obtained upon request from Revenue Canada, Customs and Excise.

Petroleum Export Charge

The oil export tax introduced in October 1973 and levied pursuant to the Excise Act has been replaced by a petroleum export charge levied under the authority of the **Petroleum Administration Act**, assented to June 19, 1975. Rates and types of petroleum products subject to this charge are indicated in Table 2.

1975 Changes

A number of changes were made in the above-mentioned taxes in 1975. The most important, as announced in the federal budget of June 23, 1975, are as follows:

- (a) The air transportation tax was increased to 8% from 5% (maximum tax: \$8) effective August 1, 1975, on flights between Canada and the United States (except Hawaii) and between Canada and the Islands of St. Pierre and Miquelon. The tax on flights to other countries was raised to \$8 from \$5.
- (b) Effective June 24, 1975, a special excise tax of 10¢ a gallon started to be levied on gasoline for personal use. It is payable by producers and importers of gasoline. On the basis of certificates submitted to Revenue Canada, the tax paid on gasoline used for farming, fishing, construction, mining and most commercial transportation will be refunded.
- (c) The duty-free entry for petroleum products was extended to June 30, 1977, and that for aircraft and aircraft engines of a kind not made in Canada, to June 30, 1976.

TABLE 1. Income Taxes levied by the Federal Government

Personal income tax	
1. Statutory authority	Income Tax Act (Part I) S.C. 1970-71-72 c. 63 and amendments.
2. Basis	Taxable income of residents and taxable income earned in Canada of non-residents.
3. Rate	Personal income tax schedule: 9% on the first \$587 of taxable income \$ 53 on \$ 587 plus 18% on next \$ 587 158 " 1,174 " 19% " " 1,174 382 " 2,348 " 20% " " 1,174 616 " 3,522 " 21% " " 2,348 1,109 " 5,870 " 23% " " 2,348 1,649 " 8,218 " 25% " " 2,348 2,236 " 10,566 " 27% " " 2,348 2,870 " 12,914 " 31% " " 3,522 3,962 " 16,436 " 35% " " 11,740 8,071 " 28,176 " 39% " " 17,610 14,939 " 45,786 " 43% " " 24,654 25,540 " 70,440 " 47% " excess.
4. Personal exemptions	Married taxpayer \$3,522 Single taxpayer 1,878 Dependant child under 16 years of age 352 Other dependants (as defined by law) 646 Taxpayer aged 65 years or over (transferable to spouse) 1,174
5. Deductions	Charitable donations up to 20% of income. Gifts to the federal or provincial governments. Medical expenses in excess of 3% of net income. An optional standard deduction of \$100 in lieu of claiming charitable donations and medical expenses. \$1,174 for blind persons or persons confined to a bed or wheelchair. Payments of supplement under Old Age Security Act. \$50 for each month in attendance at a post-secondary institution for students and/or supporting individuals. Interest and Canadian dividend income up to \$1,000. \$1,000 for pension income other than from universal pension plans. Non-capital losses sustained in any of the five preceding years, net capital losses up to the maximum of any taxable gains (maximum of \$1,000 may be deducted from other sources of income) and restricted farm losses of prior years to the extent of farm income.
6. Tax reductions and credits	General averaging when income exceeds 120% of average income of the preceding four years or 110% of income for the immediately preceding year. Averaging for farmers or fishermen for a block of five years. 24% tax abatement for income earned in Quebec in compensation for the province's opting-out of certain shared-cost programs. A general 8% reduction of tax payable with a minimum of \$200 and a maximum of \$500. A credit for dividends from Canadian corporations. (The amount of dividends received is increased by 33 1/3 % and added to income and 20 % of the "grossed up" dividend is allowed as a credit against tax.) An <i>inter vivos</i> trust (other than mutual fund trust) established after June 17, 1971 which is taxed at the greater of 39% or rates applicable to individuals. A foreign tax credit applicable to foreign non-business income and income from business carried on in a foreign country. A logging tax credit which is the lesser of 2/3 of logging taxes paid to a province or 6 2/3% of income from logging operations. A portion of political contributions to registered parties and candidates up to a maximum of \$500.
7. Surtax	30% on income not earned in a province which applies to income earned in the Yukon and Northwest Territories or business income earned in another country.
Corporation income tax	
8. Statutory authority	Income Tax Act; Part I.
9. Basis	Taxable income of residents and taxable income earned in Canada of non-residents.
10. Rate	General rate: 47%. Resource production profits: 50%.
11. Deductions	Charitable donations up to 20% of income. Gifts to the federal or provincial governments. Non-capital losses sustained in any of the five preceding years, net capital losses and restricted farm losses of prior years to the extent of a corporation's net capital gain and farm income respectively. Taxable dividends from a taxable Canadian corporation and from a controlled subsidiary resident in Canada with certain minor exceptions. (Dividends received from non-resident or foreign corporations are not generally deductible.)

TABLE 1. Income Taxes levied by the Federal Government - Concluded

Corporation income tax - Concluded	
12. Tax reductions and credits	10% abatement of taxable income earned in a province. 15% for mineral production profits. 12% for oil and gas production profits. 22% for Canadian-controlled private corporations on first \$100,000 of active business income per year to the overall limit of \$500,000. 7% on manufacturing and processing profits. Foreign tax credit. Logging tax credit. Political contributions tax credit. 5% investment tax credit applicable to new buildings, machinery and equipment acquired between June 24 and July 1, 1977.
13. Surtax	10% on corporate profits earned from May 1, 1974 to April 30, 1975 (does not apply to investment, mortgage investment, mutual fund, non-resident-owned investment corporations or investment income of private corporations, manufacturing, processing petroleum or mining profits and Canadian-controlled private companies).
14. Special rules	Private corporation: A refund of 25% of corporate taxes paid in respect of Canadian investment income and foreign investment income (other than dividends) when taxable dividends are paid to shareholders. Investment corporation: Investment income qualifies for 25% reduction in normal corporate rates. Realized capital gains are taxed at normal corporate rates (refundable when gains are distributed to shareholders as capital gains dividends). Dividends from taxable Canadian corporations are exempt.
Tax on taxable dividends received by private corporations	
15. Statutory authority	Income Tax Act; Part IV.
16. Basis	Private corporations' taxable dividends.
17. Rate	33 1/3% (refundable when taxable dividends are paid).
Tax on 1971 undistributed income on hand	
18. Statutory authority	Income Tax Act; Part IX.
19. Basis	Election to prepay special tax on 1971 undistributed income on hand.
20. Rate	15%
Tax on investment income of life insurers	
21. Statutory authority	Income Tax Act; Part XII.
22. Basis	Investment income of life insurers.
23. Rate	15%
Tax on income from Canada of non-resident persons	
24. Statutory authority	Income Tax Act; Part XIII.
25. Basis	(a) Amounts paid to a non-resident: General rate on management fees, interest, trust income, rents, royalties, alimony, patronage dividends and pension payments. (b) Dividends paid by a corporation having a degree of Canadian ownership (25% of voting equity stock) and on rentals of motion picture films and TV tapes.
26. Rates	(a) 15% (b) 10%
27. Exemptions	Interest on certain bonds issued or guaranteed by the government of Canada or on certain obligations issued before December 20, 1960. Interest on certain corporate debt securities issued after June 23, 1975 and before December 31, 1978. Dividends or interest payable by a non-resident-owned investment corporation. Copyrights. Payments to holder of a certificate of exemption.
Additional tax on non-Canadian corporations carrying on business in Canada	
28. Statutory authority	Income Tax Act; Part XIV.
29. Basis	Canadian branch earnings (after taxes).
30. Rate	15%

TABLE 2. Other Important Taxes levied by the Federal Government

Consumption or sales tax	
1. Statutory authority	Excise Tax Act (Part V) R.S.C. 1970, c. E13 and amendments.
2. Basis	Manufacturers' selling price or duty paid value of imports.
3. Rate	General rate: 12% Schedule IV: 6% Schedule V: 5%.
4. Comments	Schedule III full exempt articles include: Covering and containers; diplomatic articles; educational material; farm and forest products; fuel and electricity; health material; marine and fisheries items; mines and quarries material; municipalities; production equipment, processing materials and plans; clothing and footwear; construction equipment; transportation equipment and other miscellaneous items including insulation materials. Schedule IV partially exempt articles include: Articles manufactured by the mentally or physically handicapped. Schedule V partially exempt articles include: Construction materials and equipment for buildings.
Insurance premiums other than marine	
5. Statutory authority	Excise Tax Act (Part I) R.S.C. 1970, c. E13 and amendments.
6. Basis	Premiums in respect of insurance effected outside Canada.
7. Rate	10% of the net premium paid.
8. Comments	Does not apply to insurance against life, personal accident, sickness, marine risk or nuclear risk.
Air transportation tax	
9. Statutory authority	Excise Tax Act (Part II) R.S.C. 1970, c. E13 and amendments.
10. Basis and rate	Value of air transportation paid on: Domestic flights 5% (maximum \$5) Continental U.S.A., St. Pierre and Miquelon 8% (maximum \$8) All other international flights \$8
Special excise tax	
11. Statutory authority	Excise Tax Act (Parts III and IV) R.S.C. 1970, c. E13 and amendments.
12. Basis and rate	Part III, articles enumerated in Schedule I: Lighters 10¢ per unit Amusement devices 10% ad valorem Smokers accessories 10% " " Cigars 20½% " " Matches 10% " " Clocks and watches (portion over \$50). 10% " " Jewellery, precious or semi-precious stones 10% " " Automobiles: 4,500-4,600 lb. (portion) \$20 4,600-4,700 lb. (portion) 25 each 100 lb. greater than 4,700 30 Station wagons and vans: 5,100-5,200 lb. (portion) 20 5,200-5,300 lb. (portion) 15 each 100 lb. greater than 5,300 30 Motorcycle (displacement greater than 250 c.c.) 25 Boats and motors exceeding 20 h.p. 10% Private aircraft 10% Gasoline 10¢ per gallon

TABLE 2. Other Important Taxes levied by the Federal Government - Concluded

Special excise tax - Concluded	
12. Basis and rate	Part III, articles enumerated in Schedule II: Cigarettes 3¢ per 5 Tobacco-manufactured 90¢ per pound Part IV: Playing cards 20¢ per pack Wines (excluding imports. Custom duties on imports are set to take into account the taxes levied on domestic production of wines): Wine containing 7% or less alcohol 25¢ per gallon Non sparkling wines containing more than 7% alcohol but not over 40% proof spirit 50¢ " " Champagne and all other sparkling wines \$2.50 " " Additional levy (applied to domestic and imported wines): Wines containing 7% or less alcohol 2.5¢ " " Wines containing more than 7% alcohol 5¢ " "
Excise duties	
13. Statutory authority	Excise Act; R.S.C. 1970, c. E12 and amendments.
14. Basis and rate	(a) Spirits: Domestic potable spirits on the strength of proof distilled in Canada \$16.25 per gallon Non-potable spirits used in the manufacture of: Medicines, extracts, pharmaceutical preparations, etc. 1.50 " " Approved chemical compositions 15¢ " " Spirit sold to druggists for preparation of prescriptions \$ 1.50 " " Imported spirits taken into bonded manufactory, in addition to other duties 30¢ " " Canadian brandies \$14.25 " " Beer 42¢ " " (b) Tobacco - On domestic production: Manufactured tobacco excluding cigarettes 50¢ per pound Cigarettes weighing not more than 3 lb. per 1,000 \$ 5.00 per 1,000 Cigarettes weighing more than 3 lb. per 1,000 6.00 " " Cigars 2.00 " " Canadian raw leaf tobacco when sold for consumption 10¢ per pound
15. Comments	(a) These duties do not apply to spirits used to treat domestic wine or in the manufacture of vinegars or cosmetics. (b) Imported tobacco products are not subject to excise duties but the custom duties to which they are liable include an element in respect of excise.
Custom import duties	
16. Statutory authority	Custom Tariff Act; R.S.C. 1970, c. C41 and amendments.
17. Basis and rate	Either ad valorem duty which is based on a percentage of the value of goods imported or specific rates apply under the following categories: (a) British preferential (lowest). (b) Most favored nation (under special agreement with various countries). (c) General (apply to all other imports).
18. Comments	The tariff schedules are too lengthy and complicated to be summarized here. The rates applicable to a particular item may be obtained from Revenue Canada, Customs and Excise.
Petroleum export charge	
19. Statutory authority	Petroleum Administration Act; S.C. 1975, c. 47.
20. Basis and rate	Oil products exported as of July 1975: Light and medium crude oil \$4.70 per barrel Selected crude less than 28° A.P.I. 4.20 " " Lloydminster type crude 4.20 " " Condensate 4.70 " " Motor gasoline 4.25 " " Middle distillate 4.00 " " Heavy fuel oil 3.00 " "

PART II

TAXES LEVIED BY PROVINCIAL GOVERNMENTS

TAXES LEVIED BY PROVINCIAL GOVERNMENTS

The principal taxes at the provincial level are examined under three headings: income taxes, consump-

tion taxes and other important levies.

Income Taxes

In addition to personal and corporation income taxes, some provincial governments levy capital and gift taxes. Although not an income tax, but rather a tax on wealth, succession duties levied by a number of provinces are dealt with under this heading.

Personal Income Tax

All provincial governments levy a tax on the income of individuals who reside in or, in the case of non-residents, who earn an income from sources within provincial boundaries. The period of residence within a province does not matter since residence on the last day of a taxation year is sufficient to be taxable on total income (other than business income) regardless of the

location of its sources. Business income is allocated among the permanent establishments outside the province of residence and the residual is attributable to that province. The rates applicable for each province (as set out in Table 3) are expressed as percentages of "basic federal tax"¹ with the exception of Quebec. As already mentioned, the federal government, pursuant to Tax Collection Agreements, collects provincial personal income tax (Quebec excepted) according to the rates established under provincial statutes.

The province of Quebec has its own personal income tax system which differs from that of the federal government. The main differences between the two systems in 1975 are as follows:

	Personal income tax	
	Quebec	Canada
		\$
Consumer price indexation	no	yes
Taxable income of \$2,000 or less	no tax	taxed
Personal exemptions:		
Single taxpayer	1,600	1,878
Married taxpayer	3,500	3,522
Taxpayer 65 or over	1,000	1,174
Dependent child eligible for family allowances	no	352
Supplementary family allowance benefit per annum:		
First child	39.72	none
Second child	53.04	"
Third child	66.24	"
Fourth and each additional child	79.44	"
Special deduction allowed to the blind and invalids	1,000	1,174
Maximum deduction of employment expenditure	500	150
Amount that a taxpayers' spouse can earn without affecting his personal exemption	500	352
Tax reduction:		
Minimum \$200, maximum \$500	% -	8

The 1975 Quebec budget introduced a number of changes in the provincial personal income tax. Personal exemptions were raised, as of January 1, 1975, from \$1,500 to \$1,600 for single taxpayers and from \$2,850 to \$3,500 for married taxpayers. The income tax on the first \$2,000 of taxable income was abolished and the graduated rates of 11% to 14% for taxable income ranging between \$2,000 and \$9,000 were replaced by a uniform rate of 16%. The former tax relief provided to single and married taxpayers, whose income did not exceed \$2,600 and \$5,200 respectively, was abandoned since the new income tax measures described above

exempt from taxation a total income of \$3,931 for a single taxpayer and of \$5,957 for a married taxpayer. In addition, the maximum amount of the deduction applicable to employment expense was increased from \$150 to \$500 as of January 1, 1975. Also effective the same date, the exemption applicable to the first \$1,000 interest income from Canadian sources will include Canadian dividend income, and to the first \$1,000 pension receipts, other than from universal pension

¹ The basic federal tax is the amount computed according to the graduated rate schedule appearing on page 14.

plans, will be transferable to the spouse. These two last changes bring the Quebec treatment of such income in conformity with that of the federal income tax.

The other provinces to make personal income tax changes in 1975 were Ontario, Manitoba, Saskatchewan, Alberta and British Columbia. Ontario adjusted its income tax so that persons who pay no federal income tax by virtue of the federal reduction of 8% will not have to pay the provincial income tax. Also, these persons will not be required to reduce their tax credits by 2% of any taxable income they may have. Manitoba raised the maximum and the minimum amounts that can be claimed against personal income tax in respect of property taxes to \$300 from \$250 and to \$175 from \$150 respectively. It also increased to 3% from 2% of total personal exemptions, less 1% of taxable income, the tax credit related to the cost of living. Finally, Manitoba introduced a new program of municipal assistance for the 1975 taxation year through personal and corporation income taxes. According to this program, two points of personal income tax and one point of corporation income tax will be abated to municipalities and these abatements will be identified as municipal income taxes on 1975 income tax returns. In subsequent years, municipalities would be free to raise their income tax rates. The provincial government will act, at municipalities' request, as a collecting agent for municipal income taxes. Saskatchewan reduced income tax liabilities for all taxpayers by a uniform amount of \$100 so as to ensure that persons paying no federal tax on account of the 8% reduction will have no provincial tax to pay. In Alberta the income tax reduction comprises two parts: (1) a lowering of the provincial rate from 36% to 26% and (2) an additional reduction for taxpayers having a taxable income below \$4,000. The reduction will be the lesser of provincial tax payable or \$80 minus 2% of taxable income. The Alberta Income Tax Act will also be amended so as to provide a provincial personal income tax refund on royalties and other payments to governments and a personal tax credit based on petroleum and natural gas royalties paid to Alberta which an individual is required to include in his income for income tax purposes. In addition, Alberta expanded its renters' assistance credit, which operates through the income tax system, by broadening the eligibility and setting a minimum benefit for most eligible renters at \$50. British Columbia modified its Renter Grant Program to a Renter Tax Credit by tying it to personal income instead of paying directly a uniform grant to all renters. For 1975, the credit to be claimed against personal income tax will amount to \$100 less 1% of taxable income, with no credit exceeding 10% of the rent paid in 1975. There is, however, a minimum credit of \$80 for renters aged 65 and over. Finally, New Brunswick announced in its budget of March 1975 a 2% reduction of its personal income tax to be effective on January 1, 1976.

Corporation Income Tax

All provinces levy a tax on corporation taxable income derived from activities carried on within their jurisdiction. In provinces other than Quebec and Ontario, the provincial corporation income tax is levied on the same base as that established for federal corporation income tax purposes and is collected by the federal government under Tax Collection Agreements. In Quebec and Ontario, the determination of corporation taxable income follows closely, but not exactly, the federal rules; the two provinces collect their own tax.

Six of the ten provinces brought changes to their corporation income tax in 1975. Quebec further extended to March 31, 1977 (from March 31, 1975) its tax credits for corporations investing a large part of their profits in plants manufacturing new technological products and goods not yet produced in Quebec or for exportation. It also extended for an indefinite period (from March 31, 1975), the fast write-off for investment in machinery and equipment in the manufacturing sector and in anti-pollution equipment. Furthermore, changes concerning mining companies were announced, namely a removal of the tax exemption on mining duties and the replacement of the automatic depletion allowance by an "earned" depletion of \$1 for each \$3 of allowable expenditure.

In Ontario, the \$3,000 annual limit of the tax credit allowed to Canadian-controlled private corporations qualifying for the federal small business deduction was doubled to \$6,000. A capital-cost-allowance on new, multiple-unit residential rental buildings, started between November 18, 1974 and December 31, 1975, may be claimed against any source of income by the first or any subsequent owners of such buildings. In addition, various changes to the capital-cost-allowance provisions were made, such as the extension of the fast write-off of machinery and equipment used in manufacturing and processing activities to December 31, 1977 and of pollution control equipment to December 31, 1976. It also reduced from 1 1/2% to 1% the tax-free reserves of financial institutions on their eligible assets over \$2 billion. Finally, Ontario's Corporation Tax Act will be amended to bring it into line with the federal income tax provisions related to international income, corporate reorganizations and rollovers. Manitoba announced changes in its corporation income tax in respect of resource companies whereby tax rates applicable to mining and oil companies were increased to 28% and 25% respectively. However, a compensation system will be introduced to reduce taxes on account of the non-deductibility of royalties for federal tax purposes. This reduction will amount to 15% of the extra tax paid as a result of non-deductibility in the case of mining companies and to the full rate of 25% of federal tax paid on non-deductible royalty payments in the case of oil companies. Saskatchewan indicated its intention to make royalty payments deductible for all resource

companies from its own tax, retroactive to May 6, 1974, and will amend accordingly its Income Tax Act. Two tax measures concerning resource companies have been implemented in Alberta retroactively to the 1974 taxation year. The first measure consists of a refund to companies dealing with petroleum, natural gas and related hydrocarbons, having a permanent establishment in Alberta, equivalent to the additional amounts of income tax revenue accruing to Alberta as a result of the non-deductible payments of royalties from corporation income in the determination of taxable income under the federal Income Tax Act. The amount of that refund in a given year cannot, however, exceed corporation income tax payable to Alberta. The second measure concerns a royalty tax credit against Alberta corporate income tax payable and/or a cash refund amounting to the lesser of (a) 30% of royalties payable to the province in the taxation year where the deduction of such royalties was not allowed in computing taxable income, and (b) \$1,000,000 to corporations paying oil and/or gas royalties to Alberta. Finally, British Columbia increased its general corporation income tax rate, as of January 1, 1975, from 12% to 13%, and reduced it for small businesses from 12% to 10%. It also proposed to rebate the additional provincial corporation income tax revenue brought about by the non-deductible royalty payments under the federal Income Tax Act.

Provincial personal and corporation income tax rates are set out in Table 3, as well as relevant details.

Capital Taxes

Three provinces: Ontario, British Columbia and Quebec, levy a tax on the paid-up capital of corporations operating within their boundaries. Paid-up capital broadly includes share capital, surplus, long- and certain short-term debts, and reserves except for depreciation, depletion and doubtful debts. In Ontario, the rate is 1/5 of 1% on the paid-up capital of corporations, with a minimum tax of \$50. As of January 1, 1975, British Columbia increased its rate to 1/5 of 1% from 1/10 of 1%; corporations having less than \$100,000 in taxable paid-up capital are exempt. Quebec levies, under the Taxation Act, two types of taxes: a tax on paid-up capital of corporations and a tax on places of business. The rate of the first is 1/5 of 1% of paid-up capital, minimum tax payable: \$20. On places of business, the tax is \$50 for companies whose paid-up capital exceeds \$25,000 and \$25 when the latter is below \$25,000. In all three provinces there are special provisions and rates for specified companies, such as telecommunications companies, banks and other financial establishments.

Rates and description of these taxes are given in Table 4.

Gift Taxes and Succession Duties

Five provinces are presently levying gift taxes and succession duties: Quebec, Ontario, Manitoba, Saskatchewan and British Columbia. The gift tax is levied on the aggregate taxable value of gifts made by a donor resident in a province as well as a gift of real property situated within a province made by a donor who is not a resident in the province. This tax actually complements succession duties in the sense that gifts made within a specified period of time prior to death are taken into account for succession duty purposes. The period is five years in Quebec and Ontario and three years in Manitoba, Saskatchewan and British Columbia. While tax rates on gifts inter vivos are the same in all provinces, succession duty rates as well as criteria used to determine the rates applicable to a succession vary among them. All provinces have special provisions taking into consideration the degree of relationship of the beneficiary to the deceased.

Effective January 1, 1975, Manitoba and Saskatchewan began to collect their own succession duties which were formerly collected by the federal government. Quebec, Ontario and British Columbia have been collecting their own succession duties since the inception of their system. When the federal government withdrew from the gift tax field in 1972, all five provinces entered the field, with only Quebec collecting its gift tax and the other provinces having it collected by the federal government. This responsibility will be transferred, however, to the provinces on October 31, 1975.

Quebec and Ontario brought some modifications to their gift tax in 1975. The former increased the exemption concerning gifts made to the spouse from \$5,000 to \$15,000 and for other donees, from \$2,000 to \$3,000. Ontario raised the basic exemption per gift from \$2,000 to \$5,000. Also, the annual total of exempt gifts was increased to \$25,000 from \$10,000 and the special once-in-a-lifetime gift exemption for farming assets from \$50,000 to \$75,000. This latter provision was also extended to small family businesses. As far as succession duties are concerned, three of the five provinces levying such duties modified some of their exemptions as of January 1, 1975. Ontario increased the non-taxable aggregate value of successions from \$150,000 to \$250,000. The exemption for preferred beneficiaries was increased from \$150,000 to \$200,000 in Manitoba and from \$200,000 to \$250,000 in Saskatchewan. In addition, the latter province raised the exemption for a spouse to \$250,000 from \$50,000, and for collateral successors to \$50,000 from \$35,000.

Rates of gift taxes and succession duties are summarized in Table 4.

TABLE 3. Income Taxes levied by Provincial Governments

No.	Category	Newfoundland	Prince Edward Island	Nova Scotia	New Brunswick	Quebec
Personal income tax						
1	Statutory authority.	The Income Tax Act; R.S.N. 1970, c. 163.	The Income Tax Act; 1961 (2nd session), c. 1 and amendments.	The Income Tax Act; R.S.N.S. 1967, c. 134 and amendments.	The Income Tax Act; R.S.N.B. 1973, c. 1-2.	The Taxation Act; S.Q. 1972, c. 23 and amendments.
2	Basis	Basic federal tax.	Basic federal tax.	Basic federal tax.	Basic federal tax.	Taxable income of individuals.
3	Rate	40%	36%	38.5%	41.5%	0% on first \$2,000 of taxable income 0 on \$ 2,000 plus 16% on next \$ 7,000 \$ 1,120 " 9,000 " 18% " " 2,000 1,480 " 11,000 " 20% " " 3,000 2,080 " 14,000 " 22% " " 10,000 4,280 " 24,000 " 24% " " 15,000 7,880 " 39,000 " 26% " " 21,000 13,340 " 60,000 " 28% on excess
4	Comments	-	-	-	-	In addition a special tax of 8/10 of 1% is levied on net income under the authority of the Health Insurance Act (1970, c. 37 and amendments). This tax is subject to a maximum of \$125 if at least 3/4 of net income is made up of salary and to a maximum of \$200 in other cases.
Corporation income tax						
5	Statutory authority. .	The Income Tax Act; R.S.N. 1970, c. 163.	The Income Tax Act; 1961 (2nd session), c. 1 and amendments.	The Income Tax Act; R.S.N.S. 1967, c. 134 and amendments.	The Income Tax Act; R.S.N.B. 1973, c. 1-2.	The Taxation Act; S.Q. 1972, c. 23 and amendments.
6	Basis	Taxable income earned in the province.	Taxable income earned in the province.	Taxable income earned in the province.	Taxable income earned in the province.	Taxable income earned in the province.
7	Rate	13%	10%	10%	10%	13%
8	Comments	-	-	-	-	-

TABLE 3. Income Taxes levied by Provincial Governments

Ontario	Manitoba	Saskatchewan	Alberta	British Columbia	No.
The Income Tax Act; S.B.C. 1962, c. 27 and amendments.	The Income Tax Act (Manitoba); R.S.M. 1970, c. 110 and amendments.	The Income Tax Act; R.S.S. 1965, c. 62 and amendments.	The Alberta Income Tax Act; R.S.A. 1970, c. 182 and amendments.	The Income Tax Act; S.B.C. 1962, c. 27 and amendments.	1
Basic federal tax.	Basic federal tax.	Basic federal tax.	Basic federal tax.	Basic federal tax.	2
30.5%	42.5%	40%	26%	30.5%	3
<p>A tax credit which is the aggregate of:</p> <p>(a) Property tax credit (lesser of \$180 or occupancy cost, plus 10% of occupancy cost).</p> <p>(b) Sales tax credit (1% of personal exemptions).</p> <p>(c) Pensioner tax credit (\$110 for each person age 65 or over). Less 2% of taxable income. (Maximum credit of \$500.)</p> <p>Individuals whose Ontario income tax does not exceed \$61 are exempt.</p>	<p>A property tax credit which is the lesser of:</p> <p>(a) \$300 less 1% of taxable income (minimum \$175).</p> <p>(b) Total property taxes or 20% of total rental payments.</p> <p>A cost of living tax credit which is: 3% of personal exemptions less 1% of taxable income.</p>	<p>A tax reduction which is the lesser of the tax payable or \$100.</p>	<p>A renter credit which is:</p> <p>(a) \$90 plus 2% of total rent payments less 1/2 of 1% of taxable income.</p> <p>(b) 20% of rent paid less 1/2 of 1% of taxable income, when the total rent is less than \$500.</p> <p>The minimum credit is the lesser of \$50 or 20% of total rent paid.</p> <p>A reduction of the lesser of provincial tax payable or \$80 minus 2% of taxable income, when taxable income is below \$4,000.</p>	<p>A renter credit of \$100 minus 1% of taxable income, for individuals with gross income under \$15,000. Maximum credit 10% of annual rent. Minimum credit \$80 for senior citizens.</p>	4
The Corporations Tax Act; S.O. 1972, c. 143 and amendments.	The Income Tax Act (Manitoba); R.S.M. 1970, c. 110 and amendments.	The Income Tax Act; R.S.S. 1965, c. 62 and amendments.	The Alberta Income Tax Act; R.S.A. 1970, c. 182 and amendments.	The Income Tax Act; S.B.C. 1962, c. 27 and amendments.	5
Taxable income earned in the province.	Taxable income earned in the province.	Taxable income earned in the province.	Taxable income earned in the province.	Taxable income earned in the province.	6
12%	13%	12%	11%	13%/10%	7
				The 10% rate is applicable to small businesses.	8

TABLE 4. Capital and Gift Taxes and Succession Duties levied by Provincial Governments

No.	Category	New- found- land	Prince Edward Island	Nova Scotia	New Brun- swick	Quebec	Ontario
Capital tax							
1	Statutory authority	-	-	-	-	The Taxation Act S.Q. 1972 c. 23 and amend- ments.	The Corporations Tax Act; S.O. 1972, c. 143 and amendments.
2	Basis	-	-	-	-	(a) Paid-up capital of corporations. (b) Places of business in Province. (c) Inoperative corporations.	Paid-up capital of corporations.
3	Rates	-	-	-	-	(a) 1/5 of 1%. (b) \$50 (\$25 when paid-up capital is less than \$25,000). (c) \$20.	1/5 of 1%.
4	Comments	-	-	-	-	Other rates and/or bases of taxation apply to certain classes of corporations, i.e., banks, loans, telegraph, railway, gasoline, liquor, investment, mining. A special tax in the form of an additional 1/3 of 1% is levied on telephone and oil refining corporations paid-up capital.	There is a minimum tax of \$50. A special rate applies to banks.
Gift tax							
5	Statutory authority	-	-	-	-	The Taxation Act; S.Q. 1972, c. 23 and amend- ments.	The Gift Tax Act; S.O. 1972, c. 12.
6	Basis	-	-	-	-	Aggregate taxable value of gifts made in the year.	Aggregate taxable value of gifts made in the year.
7	Rates	-	-	-	-	15% on the first \$25,000 \$ 3,750 on \$ 25,000 plus 20% on next \$25,000 8,750 " 50,000 " 25% " " 25,000 15,000 " 75,000 " 30% " " 25,000 22,500 " 100,000 " 35% " " 25,000 31,250 " 125,000 " 40% " " 25,000 41,250 " 150,000 " 45% " " 50,000 63,750 " 200,000 " 50% on remainder	15% on the first \$25,000 \$ 3,750 on \$ 25,000 plus 20% on next \$25,000 8,750 " 50,000 " 25% " " 25,000 15,000 " 75,000 " 30% " " 25,000 22,500 " 100,000 " 35% " " 25,000 31,250 " 125,000 " 40% " " 25,000 41,250 " 150,000 " 45% " " 50,000 63,750 " 200,000 " 50% on remainder
8	Exemptions	-	-	-	-	Testamentary gifts and gifts taking effect on the death of the donor. Gifts to Canadian charitable organizations or to any government in Canada. Gifts up to \$15,000 a year to a spouse. Gifts up to \$3,000 a year to any other donee with an aggregate annual maximum of \$15,000. Once-in-a-lifetime deduction of \$75,000 for any farmer making an inter vivos gift of his land or other farm property to one or more of his children.	Testamentary gifts and gifts taking effect on the death of the donor. Gifts to Canadian charitable organizations or to any government in Canada. All gifts to a spouse without limitation as to amount. Gifts up to \$5,000 a year to any other donee with an aggregate annual maximum of \$25,000. Exemption of \$75,000 for a gift of farming assets or the shares of a Canadian family-owned small active business corporation.
9	Comments	-	-	-	-	-	-
Succession duties							
10	Statutory authority	-	-	-	-	The Succession Duties Act; R.S.Q. 1964; c. 70 and amendments.	The Succession Duty Act; R.S.O. 1970, c. 449 and amendments.
11	Basis	-	-	-	-	(a) Aggregate value of succession. (b) Share of each individual's inheritance.	(a) Aggregate value of succession. (b) Share of each individual's inheritance.
12	Rates	-	-	-	-	(a) On estate: Direct line - 5% to 15%. Collateral line - 4% to 20%. Strangers - 10% to 30%. (b) On individual's share in estate: Direct line - 1% to 10%. Collateral line - 1.4% to 10%. Strangers - 2% to 5%.	(a) On estate: Preferred line - 11% to 28%. Collateral line - 24% to 34%. Strangers - 35% to 70%. (b) On individual's share in estate: Preferred line - 6.5% to 30%. Collateral line - 8.5% to 26%. Strangers - Nil.
13	Exemptions	-	-	-	-	\$150,000 if estate is transmitted to direct line beneficiary. \$10,000 if estate is transmitted to collaterals or strangers. Amounts derived from contributions towards a pension plan and reimbursements of contri- butions toward such a plan. Bequests to Canadian charitable organizations. \$1,000 if transmitted to employee of deceased.	Estates valued at \$250,000 or less. Estates passing to a surviving spouse. An additional \$3,000 for each full year that a dependant child is under 26 years of age, and an additional \$6,000 for each full year that an orphan or an invalid is under 26 and 71 years of age respectively. Duty imposed on certain farming assets and shares of corporations that qualify for a small business deduction are forgiven over a period of 10 years. Bequests to Canadian charitable organizations and to the governments of Canada or the province. Individual bequests of \$500 or less. Employees of deceased \$1,000.
14	Comments	-	-	-	-	Total rate applied to the individual's share is the sum of (a) and (b).	The total rate applied to the individual's share is the sum of (a) and (b).

TABLE 4. Capital and Gift Taxes and Succession Duties levied by Provincial Governments

Manitoba	Saskatchewan	Alberta	British Columbia	No.
			The Corporation Capital Tax Act; S.B.C. 1973, c. 24 and amendments.	1
			Paid-up capital of corporations.	2
			1/5 of 1%.	3
			Exemptions include: corporations with paid-up capital under \$100,000; corporations exempt under the Income Tax Act (Canada); credit unions, cooperatives and family farms.	4
The Gift Tax Act; S.S. 1972, c. 12 G.S.S.	The Gift Tax Act; S.S. 1972, c. 48.		The Gift Tax Act; S.B.C. 1972, c. 23.	5
Aggregate taxable value of gifts made in the year.	Aggregate taxable value of gifts made in the year.		Aggregate taxable value of gifts made in the year.	6
15% on the first \$25,000 \$ 3,750 on \$ 25,000 plus 20% on next \$25,000 8,750 " 50,000 " 25% " " 25,000 13,000 " 75,000 " 30% " " 25,000 23,500 " 100,000 " 35% " " 25,000 31,250 " 125,000 " 40% " " 25,000 41,250 " 150,000 " 45% " " 50,000 63,750 " 200,000 " 50% on remainder	15% on the first \$25,000 \$ 3,750 on \$ 25,000 plus 20% on next \$25,000 8,750 " 50,000 " 25% " " 25,000 15,000 " 75,000 " 30% " " 25,000 22,500 " 100,000 " 35% " " 25,000 31,250 " 125,000 " 40% " " 25,000 41,250 " 150,000 " 45% " " 50,000 63,750 " 200,000 " 50% on remainder		15% on the first \$25,000 \$ 3,750 on \$ 25,000 plus 20% on next \$25,000 8,750 " 50,000 " 25% " " 25,000 15,000 " 75,000 " 30% " " 25,000 22,500 " 100,000 " 35% " " 25,000 31,250 " 125,000 " 40% " " 25,000 41,250 " 150,000 " 45% " " 50,000 63,750 " 200,000 " 50% on remainder	7
Testamentary gifts and gifts taking effect on the death of the donor.	Testamentary gifts and gifts taking effect on the death of the donor.		Testamentary gifts and gifts taking effect on the death of the donor.	8
Gifts to Canadian charitable organizations or to any government in Canada.	Gifts to Canadian charitable organizations or to any government in Canada.		Gifts to charitable organizations and to any government in Canada.	
Gifts up to \$5,000 a year to a spouse and up to \$2,000 a year to any other donee with an aggregate annual maximum of \$7,000.	Gifts up to \$5,000 a year to a spouse and up to \$2,000 a year to any other donee with an aggregate annual maximum of \$15,000. Once-in-a-lifetime deduction of \$20,000 for any donor making a gift of real property to a child for use for farming and to spouse for resident.		Gifts up to \$10,000 a year to a spouse and gifts to any other donee up to \$2,000 a year with an aggregate annual maximum of \$10,000. Once-in-a-lifetime exemption of up to \$10,000 in respect of an interest in real property to a child if such property is to be used in farming operations.	9
The Succession Duty Act; S.S. 1972, c. 124.	The Succession Duty Act; S.S. 1972, c. 124.		The Succession Duty Act; S.B.C. 1960, c. 27 and amendments.	10
Aggregate value of succession.	Aggregate value of succession.		Aggregate value of succession.	11
On individual's share in estate: Preferred line - 21.27% to 50%. Collateral line - 14% to 50%. Strangers - 14% to 50%.	On individual's share in estate: Preferred line - 27.56% to 50%. Collateral line - 15.93% to 50%. Strangers - 15.93% to 50%.		On individual's share in estate: Special beneficiaries - 10% to 36%. Collateral line - 8% to 38%. Strangers - 13% to 40%.	12
Estate valued at \$50,000 or less. \$200,000 if estate is transmitted to preferred successors. \$250,000 special exemption for spouse. An additional \$1,000 for each year that an infirm child is under 71 years of age. Up to \$25,000 for collateral successors to the extent that the \$150,000 preferred successors exemption has not been fully "used up". Charitable bequests - up to 20% of the aggregate value of property passing at death or 50% of the aggregate net value of such bequests or any unused portion of the \$150,000 preferred successors exemption. Bequests to Canadian charitable organizations and to any governments in Canada. Survivor benefits under the Canada and Quebec Pension Plans. Individual bequests of \$1,000 or less.	Estate valued at \$75,000 or less. \$250,000 if estate is transmitted to preferred successors. \$250,000 special exemptions for spouse. An additional \$1,000 for each year that an infirm child is under 71 years of age. Up to \$50,000 for collateral successors to the extent that the \$150,000 preferred successors exemption has not been fully "used up". Bequests to Canadian charitable organizations and to any government in Canada. Survivor benefits under the Canada and Quebec Pension Plans. Individual bequests of \$2,000 or less.		Estate valued at \$10,000 or less. \$125,000 if estate is transferred to special beneficiaries plus additional exemptions for family home of any value, insurance up to \$25,000, annuity or pension payments up to \$250 a month. (In no event can the exemption for this class be less than \$150,000.) \$25,000 if property is transmitted to collateral beneficiaries. Individual bequests of \$1,000 or less. \$1,000 if transmitted to employee of deceased. Charitable bequests up to 10% of net value of estate. Bequest to the provincial or local governments.	13
The rate schedule is incremental therefore the effective rate of tax will be less than the maximum marginal rate.	The rate schedule is incremental therefore the effective rate of tax will be less than the maximum marginal rate.			14

Consumption Taxes

This category of taxes is mainly levied in Canada by provincial governments. Taxes that are borne or paid by the ultimate purchaser of goods and services either for consumption or use are generally referred to as consumption taxes. The most important of these are retail sales, motive fuel, tobacco, meals and lodging taxes. Taxes on certain services are also included, such as telephone and telecommunications taxes.

Retail Sales Tax

All provinces, except Alberta, tax at the retail level a wide range of consumer goods and services purchased in or brought into the province. Under the various provincial Acts the ultimate consumer must pay a tax on the fair market value of tangible personal property purchased for consumption or use and not for resale. Each Act, however, specifies a number of articles which are exempt. These exemptions relate mainly to the necessities of life and material used in the farming and fishery industries. Table 5 A gives a list of the main exemptions as well as the rates prevailing in each province in 1975.

The main changes introduced in provincial sales taxation in 1975 were as follows:

- (a) New Brunswick removed the sales tax on laundry and dry cleaning, effective March 22, 1975.
- (b) Quebec increased the exemption for small sales from 15¢ to 25¢ effective April 17, 1975, and extended the exemption for industrial machinery to March 31, 1977.
- (c) Ontario reduced the sales tax rate from 7% to 5%, for the period April 7 to December 31, 1975. Production and construction machinery and equipment ordered between April 8, 1975 and December 31, 1976 are exempt from tax. Also exempt are returnable milk containers and vessels not exceeding 500 tons gross. An exemption was also granted to non-profit organizations staging live performances on labour and overhead costs related to the production for their own use of stage sets, props and costumes. However, the tax applies to the materials they purchase for such production and to the rental price of these articles.

Under Supplementary Actions to its 1975 budget, presented July 7, 1975, Ontario announced a rebate of the 5% sales tax on North American built passenger cars having less than a 460 cubic inch engine, if registered between July 7 and December 31, 1975.

- (d) Manitoba exempted returnable containers purchased by farmers and fishermen as of June 1, 1975.
- (e) Saskatchewan eliminated the tax on meals, books and reading material, effective April 1, 1975.

Motive and Other Fuel Taxes

All provinces and territories impose a tax on fuels purchased within their boundaries. For the purpose of taxation, fuels generally include motive fuels, heating fuel and fuel used for operating a stationary engine. Fuels used in certain types of activities such as farming, fishing, mining or logging are either exempt, allowed a rebate for a portion of the tax paid or are taxed at a lower rate. Changes announced for 1975 were as follows:

- (a) As of April 8, Ontario eliminated the gasoline and diesel fuel tax for some categories of industrial uses, e.g., manufacturing, mining, forestry and construction; of commercial activities such as railways, and of institutions, namely hospitals and schools.
- (b) Effective May 19, 1975 Manitoba increased its tax per gallon from 15¢ to 18¢ on gasoline, from 18¢ to 21¢ on diesel fuel and from 2¢ to 3¢ on aviation fuel.
- (c) British Columbia raised its tax on all motive fuels by 2¢ per gallon as of February 28, 1975.

Tobacco Taxes

A tax on sales of cigarettes, cigars and other tobacco products is levied in each province and, since 1974, in both the Yukon and Northwest Territories. Prince Edward Island was the sole province to modify this tax in 1975 by raising its levy on cigarettes from 2/5 to 4/5 of 1¢ per cigarette.

Meals and Lodging Tax

All provinces tax prepared meals whose price is over a specified amount, except Alberta and British Columbia, and transient accommodations, except Alberta. The taxation of these services comes under the retail sales tax acts except in Quebec, where it is under the Meals and Hotels Tax Act, and British Columbia, the Hotel and Motel Room Tax Act. Quebec raised, as of April 17, 1975, the minimum amount of meals exempt to \$2 from \$1.49.

Telephone and Telecommunications

In every province (except Alberta) local telephone services are taxed under their respective retail sales tax acts. In many cases, these acts also include long distance calls and other telecommunications, except Quebec who taxes these services under the Telecommunications Tax Act and Nova Scotia, under the Corporation Tax Act.

Taxes on Alcoholic Beverages

Provincial governments derive substantial amounts of revenue through the sale of alcoholic beverages by provincial agencies operating as boards or commissions which exercise monopolistic control over the distribu-

tion of these products. The markups of these liquor boards and agencies are established in a way that constitutes effectively a kind of taxation. The markups are not publicized and thus are not reported in this publication.² In certain provinces beer and/or wine are sold by private retailers as well as by liquor board or commission outlets. However, private retailers have to pay licences and fees which are usually established in a way so as to correspond, to a certain extent, to a government mark-up.

Sales to individual consumers by provincial liquor boards or commissions are taxed under the retail sales tax acts in most provinces, at the same rates as those prevailing for general retail sales with the exception of Ontario and Manitoba where the rate is 10% (5% on

Canadian beer in Manitoba). Licensees, i.e., owners of establishments where alcoholic beverages can be sold for on-premises consumption, do not pay the sales tax on their purchases, but act as collecting agents for the tax paid by the ultimate consumer either consumed with meals or otherwise in their establishments. In Quebec, this latter tax is levied under the Meals and Hotels Tax Act at a rate of 8%. In Prince Edward Island a tax of 10% is levied under the Health Tax Act, in addition to the 8% sale tax, on the retail price of all sales of alcoholic beverages made through provincial government liquor stores to both individuals and licensees. On-premises consumption in licensees' establishments is not taxed. The Yukon Territory imposes a surcharge on all liquor purchased at a government liquor store.

Rates and details of the above-described consumption taxes, other than the general sales tax, are given in Table 5 B.

² For information on the revenue derived by the provinces from the sale of alcoholic beverages, refer to *The Control and Sale of Alcoholic Beverages in Canada*, Catalogue 63-202.

TABLE 5 A. General Retail Sale Taxes levied by Provincial Governments

No.		Newfoundland	Prince Edward Island	Nova Scotia	New Brunswick	Quebec
1	Statutory authority	Retail Sales Tax Act; S.N. 1972, 56 and amendments.	The Revenue Tax Act; S.P.E.I. 1960, c. 36 and amendments.	Health Services Tax Act; R.S.N.S. 1967, c. 126 and amendments.	Social Services and Education Tax Act; R.S.N.B. 1973, c. 510.	Retail Sales Tax Act; R.S.Q. 1964, c. 71 and amendments.
2	Basis	Purchase price of tangible personal property and service.	Purchase price of goods consumed.	Purchase price of tangible personal property.	Purchase price of tangible personal property.	Purchase price and rent of movable property.
3	Rate	8%	8%	7%	8%	8%
4	Taxable services	Accommodation; telephone; telecommunication; electricity; natural and manufactured gas; construction or rental of tangible personal property; repairs of real or personal property; dry cleaning.	Accommodation; telephone service; repair and installation labour; dry cleaning services.	Transient accommodation; telephone service; electricity.	Accommodation; telephone and telecommunication services; repairs.	Telephone, gas, electricity; repairs.
	Exemptions:					
5	Food	Food, hospital prepared meals, natural water.	Food and food products for human consumption (except confections); prepared meals (\$2 or less); soft drinks; natural water.	Food and food products for human consumption (except confections and soft drinks); prepared meals (\$3 or less); natural water.	Food and food products for human consumption (except confections and soft drinks); prepared meals (\$2 or less); natural water.	Foodstuffs (except candies and soft drinks); beer; weak cider; natural water; prepared meals (\$2 or less).
6	Clothing	Children's clothing and footwear.	Clothing including fabrics and accessories; footwear.	Clothing and footwear.	Clothing and footwear.	Children's clothing and footwear.
7	Farming	Repairs to tractors; farm equipment and machinery; livestock or livestock products; plants; feed; seed; fertilizer; chemical controls.	Farm implements; machinery and supplies; livestock; plants; feed; seed; fertilizer; chemical controls.	Farm implements; machinery and supplies; plants; feed; seed; fertilizer; chemical controls; drainage tiles.	Farm implements; machinery and supplies; plants; feed; seed; fertilizer; chemical controls; drainage tiles.	Farmers merchandise; farm implements; machinery and supplies; feed; seed; fertilizer; chemical controls; drainage tiles.
8	Commercial fishing	Boats; equipment; apparatus and supplies; vessels (not exceeding 300 tons gross).	Boats; equipment and apparatus.	Boats; equipment and apparatus.	Boats; equipment and apparatus.	Boats; equipment and apparatus.
9	Fuel	Gasoline; wood; furnace fuel; stove oil; fuel oil; gas and coal for manufacturing; electricity.	Gasoline; coal; coke; diesel fuel; stove oil; fuel oil; firewood; electricity; natural and manufactured gas.	Gasoline; coke; coal; fuel oil; natural and propane gas; firewood.	Gasoline and fuel oil; coal; coke; firewood; electricity; natural and manufactured gas.	Gasoline; kerosene and fuel oil; coal; firewood; propane gas for manufacturing.
10	Health	Medicaments on prescription; X-ray pictures and plates on prescription or health appliances.	Medicaments; health appliances; household cleaning and first aid supplies; hygienic supplies.	Medicaments; health appliances; toothpaste; baby's needs; personal hygiene supplies.	Drugs and medicaments on doctor's prescription; health appliances.	Medicaments on doctor's prescription; health appliances.
11	Educational and published materials	Text books; school books and newspaper published within the province.	Classroom supplies; certain books and periodicals.	School supplies; certain books and periodicals.	Classroom supplies; certain books, periodicals; microfilm; photocopy.	Classroom supplies and printed books and periodicals.
12	Production, machinery and processing material	Certain companies purchase of machinery, equipment, plant and material.	Machinery, apparatus, goods for manufacture; clay; sand; gravel; unfinished stone.	Machinery, apparatus; materials; clay; sand; gravel and unfinished stone. Anti-pollution equipment and devices.	Machinery, apparatus and parts; ingredients; clay; sand; gravel and unfinished stone; telephone equipment; certain building material.	Industrial machinery (effective April 1, 1972 to March 31, 1977).
13	Transportation equipment	Certain aircraft; vessels of more than 300 tons gross; railway rolling stock; motor vehicles under specific conditions.	Certain commercial vessels or boats.	Certain boats; aircraft; railway rolling stock; Indians' motor vehicles and snowmobile.	Certain boats; aircraft and railway rolling stock.	-
14	Miscellaneous	Sales under 8¢. Certain household goods and equipment; securities; olympic coins; containers; trailers for resident in Labrador; certain companies purchase.	Sales under 26¢; funeral caskets; ships stores; tobacco.	Sales under 26¢ (other than cigarettes and cigars); funeral caskets; settlers' effect, Olympic coins.	Sales under 12¢; tobacco; funeral caskets; certain explosives.	Sales under 26¢; securities; money; tobacco; admissions; fare on transportation.
15	Comments	-	Liquor is not taxed under this Act since it is taxed when sold through a liquor store under the Health Tax Act (see Table 5 B).	-	Special rate of 2% for mobile homes.	-

TABLE 5 A. General Retail Sale Taxes levied by Provincial Governments

Ontario	Manitoba	Saskatchewan	British Columbia	No.
The Retail Sales Tax Act; R.S.O. 1970, c. 413 and amendments.	The Revenue Tax Act; R.S.M. 1970, c. R150.	The Education and Health Tax Act; R.S.S. 1965, c. 66 and amendments.	The Social Services Tax Act; R.S.B.C. 1960, c. 361 and amendments.	1
Purchase price of tangible personal property and taxable service.	Purchase price of tangible personal property or service.	Purchase price of tangible personal property or taxable service.	Purchase price of tangible personal property.	2
5%	5%	5%	5%	3
Transient accommodation; telephone service including long distance; telegraph; natural and manufactured gas fixtures rented separately from real property.	Accommodation; telephone (over 45¢) and other telecommunications; repairing and cleaning; certain printing, photocopying and microfilming.	Lodging; telephone (over 49¢) and other telecommunications; electricity; gas (used in internal combustion engine).	Telephone, electricity; natural or manufactured gas.	4
Food products for human consumption (except confections and soft drinks); prepared meals (\$4 or less); natural water, liquor, beer or wine for special occasions.	Food and drink for human consumption (except liquor); prepared meals (\$3 or less); natural water.	Prepared meals; natural water.	Food products for human consumption; prepared meals; confection; soft drinks; draught beer, natural water.	5
Footwear (less than \$20); children's clothing; used clothing and footwear (under \$50).	Children's clothing and footwear; used clothing (less than \$25); used footwear (less than \$5 repair to footwear).	-	Children's clothing and footwear; used clothing and footwear.	6
Agricultural products including livestock; farm equipment, implements and supplies; plants; feed; seed; fertilizer; chemical controls.	Farm horses; farm implements; machinery and parts; plants; feed; seed; fertilizer; chemical controls.	Agricultural products including livestock; farm machinery, implements and supplies; plants; feed; seed; fertilizer; grain; chemical controls.	Farm implements; machinery, parts, supplies; livestock; plants; feed; seed; fertilizer; grain; chemical controls.	7
Boats; equipment and apparatus.	Boats; equipment and apparatus.	Equipment.	Boats; equipment and apparatus.	8
Gasoline; coal; coke; wood; natural gas; electricity.	Certain gasoline; motive fuel; natural or manufactured gas; coal; wood.	Fuel, petroleum products; liquefied gases for heating; coal; wood; domestic fuel oil; electricity for heating.	Gasoline; coal; coke; fuel oil; motive fuel; wood fuel.	9
Drugs and medicines on prescription; health appliances and personal hygiene items; household cleaning items.	Drugs and medicaments; health appliances; personal hygiene items.	Certain drugs and medicines; health appliances; dentures.	Medicaments on prescription; health appliances.	10
Classroom and student supplies; certain books; periodicals.	Books and periodicals.	Books and periodicals; certain phonograph records; bibles, etc.	School supplies; certain books; periodicals.	11
Processing materials and physical ingredients; soil; clay; sand; gravel and unfinished stone; capital works of municipality; production and construction equipment under certain conditions.	Goods for manufacture.	Goods for manufacture; clay; earth.	Goods for manufacture.	12
Certain aircrafts and buses; vessels of more than 500 tons; railway rolling stock; street flushers, sweepers and fire-fighting vehicles.	Certain aircraft; railway rolling stock.	-	Vessels of more than 500 gross tons.	13
Sales under 21¢ except draught beer. Certain works of art; uncancellable stamps; money; equipment purchased by a religious institution, trapper or advertiser; tobacco products; animals sold for household pets; settlers' effects; returnable milk containers; certain costs for stage performance.	Sales under 26¢ (except liquor); stamps; money; safety equipment; ships' stores; settlers' effects; used furniture (less than \$25); amusement; tobacco.	Sales under 15¢; money; stamps; matches; goods taxed under another Act; tobacco; settlers' effects.	Sales under 15¢. Ships' stores to commercial vessels over 500 gross tons; X-ray pictures; settlers' effects; containers and labels.	14
Special rate of 10% on meals over \$4 for liquor, beer or wine.	Liquor subject to a special rate of 10%.	-	-	15

TABLE 5 B. Other Consumption Taxes levied by Provincial Governments

No.		Newfoundland	Prince Edward Island	Nova Scotia	New Brunswick	Quebec
1	Motive and other fuel taxes Statutory authority	The Gasoline Tax Act; R.S.N. 1970, c. 47 and amendments. The Fuel Oil Tax Act; R.S.N. 1970, c. 145.	The Gasoline Tax Act; S.P.E.I. 1971, c. 15 and amendments.	Gasoline and Diesel Oil Tax Act; R.S.N.S. 1967, c. 116 and amendments.	Gasoline and Motive Fuel Tax Act; R.S.N.B. 1973, c. G3.	Fuel Tax Act; S.Q. 1972, c. 30 and amend- ments.
2	Basis	Per gallon.	Per gallon.	Per gallon.	Per gallon.	Per gallon.
3	Rate	Motor fuel - 25¢. Fuel oil - 1¢.	Gasoline - 21¢. Diesel fuel - 25¢.	Gasoline fuel - 21¢. Diesel fuel - 27¢. Aviation fuel - 3¢.	Gasoline - 20¢. Diesel fuel - 23¢. Aviation fuel - 3¢.	Gasoline - 19¢. Diesel fuel - 25¢. Aviation fuel - 3¢.
4	Comments	Exemptions for gasoline used by governments, by foreign diplomats, in aircraft, in motor- ized equipment (other than trucks and auto- mobiles) used for agri- cultural or logging purposes, in sawmills, in fish processing plants, in certain ma- nufacturing plants, in vessels and boats used in trade, in electrical power generating plants, in household appliances, as house- hold fuel, and for mineral exploration and pre-production development. Exemptions for fuel oil used for domestic purposes or by vessels (except pleasure boats, tugs, dredges and scows), manufac- turing plants, com- mercial buildings, and institutions.	Exemptions for aviation fuel, fuel used in off- shore fishing fleets, and marked gasoline. Marked gasoline may be purchased by the federal government, farmers, commercial fishermen, and owners and operators of stationary engines or certain sport estab- lishments.	Exemption for marked gasoline. Marked gasoline may be used in vehicles of the federal, provincial and municipal govern- ments and in vehicles designed for fire- fighting, road building or off-highway use. It may also be used in farm tractors other than trucks or road tractors.	Exemptions for fuel used for lighting or heating, in farming operations, in the cleaning of fabrics, in stationary engines, in the operation of motor boats and snowmobiles, in trac- tors other than truck tractors when such vehicles are not used on public highways or in the construction of roads and bridges. Exemption for fuel used by municipal governments. Refund of tax to flying clubs; based on the number of gallons of aviation fuel con- sumed in student training programme multiplied by rate of 3¢ per gallon.	Full tax refunds are al- lowed on gasoline used in the operation of farm tractors and fishing boats. Refunds of part of the tax are allowed on gasoline used in stationary engines (except gaso- line used by farmers and fishermen), pumps to fight forest fires, and production machinery.

TABLE 5 B. Other Consumption Taxes levied by Provincial Governments

Quebec	Manitoba	Saskatchewan	Alberta	British Columbia	Yukon Territory	Northwest Territories	No.
<p>The Gasoline Tax Act; S.O. 1973, c. 99.</p> <p>The Motor Vehicle Fuel Tax Act; R.S.O. 1970, c. 282 and amendments.</p>	<p>The Gasoline Tax Act; R.S.M. 1970, c. G40 and amendments.</p> <p>The Motive Fuel Tax Act; R.S.M. 1970, c. M220 and amendments.</p>	<p>The Fuel Petroleum Products Act; R.S.S. 1965, c. 67 and amendments.</p>	<p>The Fuel Oil Tax Act; R.S.A. 1970, c. 153 and amendments.</p>	<p>Gasoline Tax Act; 1958, R.S.B.C. 1960, c. 163 and amendments.</p> <p>Coloured Gasoline Tax Act; R.S.B.C. 1960, c. 63 and amendments.</p> <p>Motive Fuel Use Tax Act; R.S.B.C. 1960, c. 251 and amendments.</p> <p>Fuel Oil Tax Act; R.S.B.C. 1960, c. 158 and amendments.</p>	<p>Fuel Oil Tax Ordinance; O.Y.T. 1973, c. F11 and amendments.</p>	<p>Petroleum Products Tax Ordinance; R.O.N.T. 1974, c. P-6.</p>	1
Per gallon.	Per gallon.	Per gallon.	Per gallon.	Per gallon.	Per gallon.	Per gallon.	2
<p>Gasoline - 19¢.</p> <p>Diesel fuel - 25¢.</p> <p>Aviation fuel - 3¢.</p>	<p>Gasoline - 18¢.</p> <p>Diesel fuel - 21¢.</p> <p>Aviation fuel - 3¢.</p> <p>Special rates:</p> <p>Bunker - 1/3¢.</p> <p>Propane - 1¢.</p> <p>If used for commercial heating, and 15¢ if used for car-burration.</p> <p>Coloured gasoline - 1¢.</p>	<p>Gasoline - 12¢.</p> <p>Diesel fuel - 16¢.</p> <p>Aviation fuel - 4¢.</p> <p>Other fuels - 4¢.</p>	<p>Gasoline - 10¢.</p> <p>Diesel fuel - 12¢.</p> <p>Aviation fuel - 3¢.</p> <p>Coloured gasoline - 3¢.</p>	<p>Gasoline - 17¢.</p> <p>Pollutant-free liquefied petroleum gas (butane and propane) used by common vehicles - 12¢.</p> <p>Coloured gasoline - 5¢.</p> <p>Diesel fuel - 19¢.</p> <p>Aviation fuel - 3¢.</p> <p>Fuel oil - 1/2¢.</p>	<p>Gasoline - 14¢.</p> <p>Diesel fuel - 16¢.</p> <p>Aviation fuel - 2¢.</p> <p>Special rates:</p> <p>Fuel oil used for heating and cooking - 1¢.</p>	<p>Gasoline - 14¢.</p> <p>Diesel fuel - 15¢.</p> <p>Fuel oil - 3¢.</p> <p>Aviation fuel - 2 1/4¢.</p> <p>Propane and butane - 2 1/4¢.</p>	3
<p>Exemptions for farmers, commercial fishermen, fuel used for heating and cooking, industrial, commercial and institutional users, those engaged in road maintenance or construction.</p> <p>A tax relief of 13¢ per gallon is allowed on gasoline used in off-highway vehicles other than "non-working" motor boats and snow-mobiles. Gasoline used in "working" motor boats is eligible for the relief.</p> <p>A tax relief of 17¢ per gallon is allowed on diesel fuel oil that is not used in a motor vehicle or that is used in a motor vehicle which is not used on highways or in the construction or maintenance of highways.</p>	<p>Exemptions for coloured gasoline used in farm trucks, agricultural machinery, municipal firefighting equipment and in trapping, fishing and prospecting operations.</p> <p>Exemptions for diesel fuel used in agricultural machinery, municipal firefighting equipment, lighting plants, hospitals and for domestic purposes. Partial or full refund in other circumstances set out in the Act.</p>	<p>Exemptions for fuel used for cooking, lighting and heating or not designed and manufactured for use in, and not in fact used in, an internal combustion engine.</p> <p>Exemptions from tax at 16¢ and 12¢ (but not from tax at 4¢) for coloured gasoline used for generating electricity, for city-owned buses, for tractors or machinery (other than motor vehicles) used for industrial purposes or in the construction and maintenance of roads. Coloured fuels when used in farming operations and when mixed with chemicals for weed or insect control are exempt from all taxes.</p>	<p>Exemption for fuel used by the federal government and foreign diplomats.</p> <p>Relief of 3¢ per gallon for gasoline and diesel fuel used as raw material by the petroleum industry, in household appliances, for lighting and heating, or for spraying on road surfaces.</p> <p>Relief of 7¢ from gasoline tax and 9¢ from diesel fuel tax for fuel used in farming operations, for industrial purposes, in transit buses, in railway locomotives, or designated as unfit for use in motor vehicles.</p>	<p>Coloured gasoline may be used only in ships, boats and other water vehicles, in stationary and portable engines and tractors for off-highway use, in logging trucks, in railway rolling stock and track-riding motor vehicles, for non-motive industrial use and in farming or commercial fishing operations.</p> <p>Motive fuels used off-highway by family farmers and fishermen and fuels used in the family farm truck on the highway are exempted from gasoline taxes.</p> <p>A refund of 12¢ per gallon of non-coloured gasoline and 14¢ per gallon of diesel fuel is granted for off-highway ore or logging trucks, for stationary motor vehicle power units used in industry for certain industrial and commercial vehicles used off-highway in oil and gas operations, and for the motor vehicles of amputees, paraplegics and certain classes of war veterans.</p>	<p>No tax is payable in respect of fuel oil that is used or is to be used in stationary units for the generation of electrical power, in the operation of farm tractors for farming purposes, for lubricating purposes, for laying or sprinkling on roads or streets, or for use as cleaning fluids or solvents.</p>	<p>No tax is payable in respect of fuel used or to be used by hospitals, municipal governments, visiting armed forces, for lubricating purposes, for laying or sprinkling on roads or streets, for delivery to D.E.W. stations, or for use as cleaning fluids or solvents.</p>	4

TABLE 5 B. Other Consumption Taxes levied by Provincial Governments — Continued

No.		Newfoundland	Prince Edward Island	Nova Scotia	New Brunswick	Quebec
Tobacco taxes						
1	Statutory authority	The Tobacco Tax Act; R.S.N. 1970, c. 374 and amendments.	The Health Tax Act; S.P.E.I. 1951, c. 71 and amendments.	Health Services Tax Act; R.S.N.S. 1967, c. 126 and amendments.	Tobacco Tax Act; R.S.N.B. 1973, c. T7.	Tobacco Tax Act; R.S.Q. 1964, c. 72 and amendments.
2	Basis	By cigarette; by retail price of cigars; other tobacco products by weight.	By cigarette; by retail price of cigars and other tobacco products.	By cigarette; by retail price of cigars and other tobacco products.	By cigarette; by retail price of cigars; by weight for other tobacco products.	By cigarette; by retail price of cigars and other manufactured tobacco.
3	Rate	Cigarettes — 1¢ each. Cigars from: 1¢ to 4¢ — 2¢ each 5¢ " 7¢ — 3¢ " 8¢ " 15¢ — 4¢ " 16¢ " 25¢ — 8¢ " 26¢ " 35¢ — 12¢ " 36¢ " 45¢ — 16¢ " 46¢ up — 20¢ " Other tobacco products 4¢ per 1/2 oz. unit or part thereof.	Cigarettes — 4/5 of 1¢ each. Cigars from: 1¢ to 9¢ — 1¢ each 10¢ " 15¢ — 2¢ " 16¢ " 21¢ — 3¢ " 22¢ " 27¢ — 4¢ " 28¢ " 33¢ — 5¢ " 34¢ " 39¢ — 6¢ " 40¢ " 45¢ — 7¢ " 46¢ up — 20¢ " Other smoking tobacco products 3¢ per 1/2 oz. or part thereof.	Cigarettes — 4/10 of 1¢ each. Cigars and other tobacco products — 10%.	Cigarettes — 2/5 of 1¢ each. Cigars — 1¢ for each 5¢ or part thereof. Other tobacco products — 4¢ per oz. or part thereof.	Cigarettes — 2/5 of 1¢ each. Cigars from: 5¢ to 10¢ — 1¢ each. 10¢ up — 20%. Manufactured tobacco — 20% of retail price.
4	Comments	There are certain exemptions on tobacco purchases by bona fide tourists and for other categories such as ships stores. There is no tax on a plug of tobacco.	—	Tax levied under the same statutory authority as the general sales tax.	—	No tax levied on raw leaf tobacco or on cigars sold at 5¢ each, or less.
Alcoholic beverage tax						
5	Statutory authority	—	The Health Tax Act; S.P.E.I. 1951, c. 71 and amendments.	—	—	—
6	Basis	—	Retail price.	—	—	—
7	Rate	—	10%	—	—	—
8	Comments	—	Retail sales are made through provincial government liquor stores.	—	—	—

TABLE 5 B. Other Consumption Taxes levied by Provincial Governments - Continued

Ontario	Manitoba	Saskatchewan	Alberta	British Columbia	Yukon Territory	Northwest Territories	No.
The Tobacco Tax Act; R.S.O. 1970, c. 463 and amendments.	The Tobacco Tax Act; R.S.M. 1970, c. T80 and amendments.	The Tobacco Tax Act; R.S.S. 1965, c. 68 and amendments.	The Tobacco Tax Act; R.S.A. 1970, c. 364 and amendments.	The Cigarette and Tobacco Tax Act; S.B.C. 1971, c. 7.	Tobacco Tax Ordinance; (2nd. session); 1974, c. 3.	Tobacco Tax Ordinance; R.O.N.T. 1974, c. T-6.	1
By cigarette; by retail price of cigars; by weight for other tobacco products.	By cigarette; by retail price of cigars; by weight for other manufactured tobacco.	By cigarette; by retail price of cigars and by weight for other tobacco products.	By cigarette; by retail price of cigars and by weight for tobacco (including plugs and snuff).	By cigarette; by retail price of cigars; by weight for other tobacco products.	By cigarette; by retail price of cigars; by weight for other tobacco products.	By cigarette and retail price of cigars.	2
Cigarettes - 0.46 of 1¢ each. Cigars from: 1¢ to 7¢ - 1¢ each 8¢ " 10¢ - 2¢ " 11¢ up - 1¢ additional tax for each additional 5¢ of retail price. Other tobacco products - 2.1/2¢ per 1/2 oz. (or part thereof).	Cigarettes - 3/5 of 1¢ each. Cigars: 4¢ or less - 1¢ each 5¢ to 8¢ - 2¢ " 9¢ " 12¢ - 3¢ " 13¢ " 16¢ - 4¢ " 17¢ " 20¢ - 5¢ " 21¢ " 28¢ - 7¢ " 29¢ " 36¢ - 9¢ " 37¢ " 43¢ - 11¢ " 44¢ " 52¢ - 13¢ " 53¢ up - 15¢ " Other tobacco products - 3¢ per 1/2 oz. unit.	Cigarettes - 9/25 of 1¢ each. Cigars: 10¢ or less - 1¢ each 11¢ to 20¢ - 2¢ " Over 21¢ - 4¢ " Other tobacco - 2¢ per 1/2 oz. or fraction thereof.	Cigarettes - 8/25 of 1¢ each. Cigars: 7¢ or less - 1¢ each 8¢ to 15¢ - 2¢ " 16¢ " 22¢ - 3¢ " 23¢ " 32¢ - 5¢ " 33¢ " 42¢ - 7¢ " over 43¢ - 9¢ " Tobacco - 2¢ per 1/2 oz. or fraction thereof.	Cigarettes - 8/25 of 1¢ each. Cigars: 7¢ or less - 1¢ each 8¢ to 15¢ - 2¢ " 16¢ " 22¢ - 3¢ " 23¢ " 32¢ - 5¢ " 33¢ " 42¢ - 7¢ " over 43¢ - 9¢ " Other tobacco products - 2¢ per 1/2 oz. or part thereof.	Cigarettes - 2/5 of 1¢ each. Cigars: 5¢ or less - 1¢ each 6¢ to 12¢ - 2¢ " 13¢ " 20¢ - 3¢ " 21¢ " 30¢ - 5¢ " 31¢ " 40¢ - 7¢ " over 40¢ - 9¢ " Other tobacco products - 2¢ per 1/2 oz. or part thereof.	Cigarettes 8/25 of 1¢ each. Cigars: 7¢ or less - 1¢ each 8¢ to 15¢ - 2¢ " 16¢ " 22¢ - 3¢ " 23¢ " 32¢ - 5¢ " 33¢ " 42¢ - 7¢ " Over 42¢ - 9¢ "	3
-	-	-	-	-	-	-	4
-	-	-	-	-	Government Liquor Ordinance; R.O.Y.T. 1971, c. L8.	-	5
-	-	-	-	-	By the bottle, flask, or gallon.	-	6
-	-	-	-	-	10¢ on each dozen bottles of beer. 10¢ on each half-bottle of table wine. 20¢ on each bottle of table wine. 20¢ on each half-bottle of fortified wine. 45¢ on each bottle of fortified wine. 20¢ on each flask of spirits. 50¢ on each bottle of spirits. 10¢ on each gallon of draft beer.	-	7
-	-	-	-	-	-	-	8

TABLE 5 B. Other Consumption Taxes levied by Provincial Governments - Concluded

No.		Newfoundland	Prince Edward Island	Nova Scotia	New Brunswick	Quebec
	Telecommunication tax					
1	Statutory authority	-	-	Corporations Tax Act; R.S.N.S. 1967, c. 61.	-	Telecommunications Tax Act; 1965, c. 28.
2	Basis	-	-	Toll charge on long- distance telephone calls.	-	Price of telecommunica- tion.
3	Rate	-	-	5¢ for each 50¢ toll charge or part there- of.	-	8%
4	Comments	-	-	Tolls under 25¢ are exempt.	-	Applicable to long distance telephone calls, tele- grams and other tele- communications.
	Meals and lodging tax					
5	Statutory authority	-	-	-	-	Meals and Hotels Tax Act; R.S.Q. 1964, c. 72 and amendments.
6	Basis	-	-	-	-	On meals priced \$1.50 and over, on alcoholic beve- rages, on any aerated water to which essence or syrup has been added, and on price of lodging.
7	Rate	-	-	-	-	8%
8	Comments	-	-	-	-	The tax is not payable by persons employed in an establishment on the price of lodging and meals (not including alcoholic beverages and aerated water) supplied to them by the person who keeps the estab- lishment. Beer served in a tavern is not taxable.

TABLE 5 B. Other Consumption Taxes levied by Provincial Governments — Concluded

Ontario	Manitoba	Saskatchewan	Alberta	British Columbia	Yukon Territory	Northwest Territories	No.
	-	-	-	-	-	-	1
	-	-	-	-	-	-	2
	-	-	-	-	-	-	3
	-	-	-	-	-	-	4
	-	-	-	Hotel and Motel Room Tax Act; S.B.C. 1971, c. 26.	-	-	5
	-	-	-	Purchase price of ac- commodation in hotels and motels.	-	-	6
	-	-	-	5%	-	-	7
	-	-	-	-	-	-	8

Other Important Levies by Provincial Governments

Provincial governments resort to a variety of taxes and royalties related to the exploitation of natural resources within their boundaries, to fees on motor vehicle registration and to driving licences and permits, to the taxation of admissions to places of amusement and on race track bettings. Three provinces and one territory levy premiums and one province, a payroll tax, to help finance their hospitalization and medical care programs. Finally, five provinces and one Territory levy, in varying degrees, real property taxes. In Prince Edward Island and New Brunswick, where services formerly assumed by municipal authorities (education, health, welfare and administration of justice) were taken over by provincial governments, the real property tax field is shared by both provincial and municipal governments. The provincial governments levy a flat rate real property tax on a province-wide basis and each municipality has its own separate rate as required to meet its expenditure. All collections are, however, effected by the provinces which remit the municipal share to individual municipalities. In New Brunswick, the provincial rate is \$1.50 per \$100 of the "real and true value" of assessed real property. Prince Edward Island's rates are .75% of the assessed "market value" of non-commercial taxable property and 1.5% of commercial property.

Nova Scotia levies a "land tax" of limited application. In unorganized (non-municipal) areas, Ontario imposes a property tax of 1 1/2% of the assessed value of any land with a minimum annual tax of \$6. British Columbia's provincial property tax is levied in non-municipally organized areas at rates ranging from 1/2 of 1% on the assessed value of farm land to 3% on wild land. The Yukon Territory levies a property tax on all non-municipal real property at a rate determined each year.

A number of changes were made in the above-mentioned areas of provincial taxation in 1975, among which the most important are as follows:

Motor Vehicle Registration

Quebec motor vehicle registration fee of 1¢ per pound will continue to apply to the first 3,000 pounds, but will raise to 2¢ for weights between 3,000 and 4,000 pounds and to 3¢ for weights exceeding 4,000 pounds.

These will take effect for 1976 registration. Ontario increased uninsured motor vehicle fees to \$60 per annum.

Resource Taxes

Newfoundland effected changes in the taxation formula applicable to mineral producers. Under **The Mining and Mineral Rights Tax Act, 1975**, net income of operating mining companies is taxed at a rate of 15% and that of persons obtained from granting their rights to mine, of 20%.

Quebec introduced a progressive rate structure which varies between 15% and 30% of mining profits, the first \$150,000 profit remaining tax free. It will also be possible to average income as well as to carry losses over a three-year period. Finally, the processing allowance concerning smelting and refining equipment was increased from 8% to 15%.

Manitoba reduced the oil royalty rate for small wells, i.e., whose production is under 20 barrels per day. On the other hand it introduced, effective January 1, 1975, a graduated royalty rate schedule including a basic rate of 15% of base income, as determined in the Act, and an incremental royalty rate of 35% on the excess of such base income.

Real Property Tax

Nova Scotia proposed in its March 1975 budget to split, as of January 1976, the municipal tax base into residential and commercial or business property. Taxes on the latter would be levied by the provincial government who would assume simultaneously the financing of education which has been provided so far by municipal governments. New Brunswick is implementing in 1975 the first stage of a four-year elimination of the provincial property tax on owner-occupied residential property. Rates per \$100 of the assessed "fair market value" will decrease from \$1.50 per \$100 in 1974-75 to \$1.125 in 1975-76 and to 75¢ in 1976-77 and 1977-78, to be finally eliminated in 1978.

Further details on the above-mentioned levies are given in Table 6, except for real property taxes which are summarized in Table 7.

TABLE 6. Other Important Levies by Provincial Governments

No.		Newfoundland	Prince Edward Island	Nova Scotia	New Brunswick	Quebec
Amusement taxes						
1	Statutory authority	—	The Entertainments Act; S.P.E.I. 1971, c. 13 and amendments.	Theatres and Amusements Act; R.S.N.S. 1967, c. 304 and regulations.	Theatres, Cinematographs and Amusements Act; R.S.N.B. 1973, c. T5.	Amusement Tax Act; R.S.Q. 1964, c. 76.
2	Basis	—	Admission price.	Admission price.	Admission price.	Admission price.
3	Rate	—	From: 61¢ — 80¢ . . 7¢ 81¢ — \$1.00 . . 10¢ over — \$1.00 . . 10¢ plus 5¢ extra for each additional 50¢ or fraction thereof. Season ticket — 10% of selling price. Pass or complimentary ticket 10¢	From: 56¢ — 70¢ . . 5¢ 71¢ — \$1.00 . . 10¢ over — \$1.00 . . 5¢ extra for each additional 50¢ or fraction thereof.	Theatre rates: Up to 25¢ 2¢ From 25¢ to 30¢ . . 3¢ " 31¢ " 40¢ . . 4¢ " 41¢ " 45¢ . . 5¢ " 46¢ " 50¢ . . 6¢ " 51¢ " 60¢ . . 7¢ " 61¢ " 70¢ . . 8¢ " 71¢ " 80¢ . . 9¢ " 81¢ " 90¢ . . 10¢ " 91¢ " \$1.00 . . 11¢ over \$1.00 . . 11% Pass 10¢ Other amusements rates: Up to 25¢ 2¢ from 26¢ to 50¢ . . 5¢ from 51¢ to \$1.00 . . 10¢ and 5¢ for each additional 50¢ or fraction thereof in excess of \$1.	10%
4	Comments	—	Exemptions: Church, school and municipal functions; certain other amateur or private functions; tickets costing less than 61¢.	Exemptions: Religious, educational or charitable functions; tickets costing 55¢ or less.	Exemptions: School entertainment; agricultural fairs; religious, educational or charitable functions.	Exemptions: Charitable, agricultural or church functions. Taxes collected by the municipalities.
Race track taxes						
5	Statutory authority	The Horse Racing (Regulations and Tax) Act; R.S.N. 1970, c. 155 and amendments.	The Entertainment Act; 1971, S.P.E.I. c. 13 and amendments.	Theatres and Amusements Act, R.S.N.S. 1967, c. 304 and regulations.	Theatres, Cinematographs, and Amusements Act; R.S.N.B. 1973, c. T5.	Licences Act; R.S.Q. 1964, c. 79 and amendments.
6	Basis	Amount of bets placed under the pari mutuel system.	Pari mutuel betting pool.	Pari mutuel betting pool.	Pari mutuel betting pool.	Pari mutuel betting pool.
7	Rate	11%	11½%	11%	11% of wagers	7% of ticket evidencing the choice of a single winning horse; 9% on other tickets.
8	Comments	The track operators are paid a remuneration of 3% of the tax collected and remitted.	—	If tax remitted within 7 days, the Race Association may deduct a commission of 7% and 8% depending on certain variables in amounts wagered and dates.	If tax is remitted within 7 days, the Race Association may deduct from 6½% to 8% of the amounts wagered as commission.	In addition to the duty on wagers, there is a duty on the entrance fee at the rate of 10% at races with "pari mutuel" betting, and 5¢ per person at other races.

TABLE 6. Other Important Levies by Provincial Governments

Ontario	Manitoba	Saskatchewan	Alberta	British Columbia	Yukon Territory	Northwest Territories	No
The Retail Sales Tax, R.S.O. 1970, c. 413 and amendments.	-	-	See: Race track tax.	-	-	-	1
Admission price.	-	-	-	-	-	-	2
Front: 76¢ to 84¢ . . . 6¢ 85¢ to 90¢ . . . 7¢ 91¢ to 92¢ . . . 8¢ 93¢ & over . . . 10%	-	-	-	-	-	-	3
Exemptions: Tickets costing 75¢ or less; religious, charitable or educational functions (by way of refund).	-	-	-	-	-	-	4
The Race Tracks Tax Act; R.S.O. 1970, c. 397 and amendments.	The Pari Mutuel Tax Act; S.M. 1974.	The Horse Racing Regulations Act; R.S.S. 1965, c. 384 and amendments.	The Amusements Act; R.S.A. 1970, c. 18 and amendments.	Pari Mutuel Betting Tax Act; R.S.B.C. 1960, c. 274.	-	-	5
(a) Pari mutuel betting pool. (b) Amount gained from a winning ticket.	Pari mutuel betting pool.	Pari mutuel betting pool.	Pari mutuel betting pool.	Pari mutuel betting pool.	-	-	6
7%	10%	10%	5%	8%	-	-	7
	1% of the rate is kept as commission by the track operators.	-	-	1% of this rate is earmarked to increase the purses of B.C. bred, born and raised horses.	-	-	8

TABLE 6. Other Important Levies by Provincial Governments - Continued

No.		Newfoundland	Prince Edward Island	Nova Scotia	New Brunswick	Quebec
	Insurance premium taxes					
	(a) On insurance companies:					
1	Statutory authority . .	The Insurance Companies Tax Act; R.S.N. 1970, c. 177 and amendments.	The Premium Tax Act; S.P.E.I. 1957, c. 27 and amendments.	Insurance Premiums Tax Act; R.S.N.S. 1967, c. 149.	Premium Tax Act; R.S.N.B. 1973, c. P15.	Taxation Act; S.Q. 1972, c. 23 and amendments (Part VI).
2	Basis	Gross premiums.	Gross premiums.	Gross premiums.	Gross premiums.	Premium income.
3	Rate	2%	2%	2%	2%	2%
4	Comments	Exemption for premiums on marine insurance and annuity contracts.	Exemption for annuity contracts.	Exemption for premiums on marine insurance and annuity contracts.	Exemption for premiums on marine insurance and annuity contracts.	Applicable on all insurance premiums, including fire insurance.
	(b) Fire insurance:					
5	Statutory authority . .	The Insurance Premiums Tax Act; R.S.N. 1970, c. 179.	The Fire Prevention Act; S.P.E.I. 1951, c. 59 and amendments.	Fire Prevention Act; R.S.N.S. 1967, c. 107 and amendments.	Fire Prevention Act; R.S.N.B. 1973, c. F13.	-
6	Basis	Premiums charged.	Gross premiums.	Premium income.	Premium income.	-
7	Rate	7%	3/4 of 1%	1/2 of 1%	1%	-
8	Comments	This tax is paid by the policy holder. It is levied on all insurance premiums other than life, accident, sickness, and marine premiums.	-	Rates as determined by the Lieutenant-Governor-in-Council.	-	-

TABLE 6. Other Important Levies by Provincial Governments - Continued

Ontario	Manitoba	Saskatchewan	Alberta	British Columbia	Yukon Territory	Northwest Territories	No
(a) The Corporations Tax Act; S.O. 1972, c. 143.	The Insurance Corporations Tax Act; R.S.M. 1970, c. 150 and amendments.	The Insurance Premiums Tax Act; R.S.S. 1965, c. 63 and amendments.	The Insurance Corporations Tax Act; R.S.A. 1970, c. 188 and amendments.	(a) Insurance Premiums Tax Act; R.S.B.C. 1960, c. 198 and amendments.	-		1
(b) Tax Insurance Act; R.S.O. 1970, c. 224 and amendments.				(b) Insurance Act; R.S.B.C. 1960, c. 197 and amendments.			
(a) Gross premiums or deposits.	Premium income.	Gross premiums.	Gross premiums.	(a) Gross premiums.	-		2
(b) Gross premiums or reciprocal or inter-insurance exchanges.				(b) Premiums paid to unlicensed insurer or reciprocal exchange.			
-	2%	2%	2%	(a) 2%	-		3
				(b) 5%			
24% on insurance covering property fire, inland transport, livestock, plate glass, sprinkler leakage, theft and weather.	Exemption for marine insurance and annuity contracts.	Exemption for marine insurance and annuity contracts.	Exemption for marine insurance and annuity contracts.	Exemption for marine insurance and annuity contracts.	-		4
2% on other types of insurance.							
-	-	The Fire Prevention Act; R.S.S. 1965, c. 365 and amendment.	The Fire Prevention Act; R.S.A. 1970, c. 144 and amendments.	Fire Marshal Act; R.S.B.C. 1960, c. 148 and amendment.	Fire Prevention Ordinance; R.O.Y.T. 1971, c. F5.		5
-	-	Premium income.	Premium income.	Premium income.	Premium income.		6
-	-	1%	1/3 of 1%	1%	1%		7
-	-	-	-	Rate determined by Lieutenant-Governor-in-Council. Tax on fire and automobile insurance. Persons insured by unlicensed companies pay the tax directly.	-		8

TABLE 6. Other Important Levies by Provincial Governments - Continued

No.		Newfoundland	Prince Edward Island	Nova Scotia	New Brunswick	Quebec	Ontario
1	Resource taxes Statutory authority . .	(a) The Mining and Mineral Rights Tax Act; S.N., 1975. (b) The Mineral Lands Taxation Act; R.S.N. 1970, c. 236.	—	(a) Gypsum Mining Income Tax Act; R.S.N.S. 1967, c. 122. (b) Mineral Resources Act; S.N.S. 1975, c. 12.	Mining Income Tax Act; R.S.N.B. 1973, c. M15 and amendments.	Mining Duties Act; S.Q. 1965, c. 35.	(a) The Mining Tax Act; S.O. 1972 c. 140. (b) Mining Act; R.S.O. 1970, c. 274.
2	Basis	(a) Net income from mining operations and holding rights to mine. (b) Assessed value of minerals.	—	(a) Net income from gypsum mining or ton of gypsum mined. (b) Net selling price of ores and minerals mined; net income derived from mining operations.	Net income from mining operations.	Net profit of mining operations.	(a) Profits from mining operations. (b) Lands used for mining purposes and mining rights.
3	Rate	(a) 15% mining tax, 20% mineral rights tax on operator or recipient of rent or royalty.	—	(a) 33 1/3% of net income in excess of \$5,000; or 6¢ per ton where mining operations are calculated at a fixed rate of 18¢ per ton.	8% on net income up to \$750,000; 11% on the next \$2,250,000 of net income; 12% on net income in excess of \$3,000,000. Royalty on coal is 14¢ per short ton of 2,000 pounds.	15% on mining profits of \$150,000 to \$3,150,000; 20% on mining profits of \$3,150,001 to \$10,150,000; 25% on mining profits of \$10,150,001 to \$20,150,000; 30% on mining profits of \$20,150,001 and over.	(a) 15% on net profit of \$100,001 to \$1,000,000; 20% on net profit of \$1,000,001 to \$10,000,000; 25% on net profit of \$10,000,001 to \$20,000,000; 30% on net profit of \$20,000,001 to \$30,000,000; 35% on net profit of \$30,000,001 to \$40,000,000; 40% on net profit over \$40,000,001.

TABLE 6. Other Important Levies by Provincial Governments - Continued

Manitoba	Saskatchewan	Alberta	British Columbia	Yukon Territory	Northwest Territories	No.
(a) The Mining Royalty and Tax Act, R.S.M. 1970, c. M180 and amendments.	(a) The Mineral Taxation Act; R.S.S. 1965, c. 64 and amendments.	(a) The Freehold Mineral Taxation Act, S.A. 1973, c. 89.	(a) Mineral Land Tax Act, S.B.C. 1973, c. 53.	Yukon Placer Mining Act; R.S.C. 1970, c. Y3.	Canada Mining Regulations; P.C. 1961. -325.	1
(b) The Mineral Acreage Tax Act, R.S.M. 1972, c. M135.	(b) The Mineral Resources Act; R.S.S. 1965, c. 50 and amendments.	(b) The Mines and Minerals Act, R.S.A. 1970, c. 238 and amendments.	(b) Mineral Royalties Act, S.B.C. 1974, c. 54.			
(c) The Mineral Taxation Act, and amendments R.S.M. 1970, c. M150.	(c) The Oil and Gas Conservation, Stabilization and Development Act; S.S. 1973, c. 72 and amendments.	(c) Oil and Gas Conservation Act, R.S.A. 1970, c. 267.	(c) Petroleum and Natural Gas Act, S.B.C. 1965, c. 33.			
(d) The Metallic Minerals Royalty Act, S.M. 1975, c. M125.	(d) The Road Allowance Crown Oil Act; R.S.S. 1965, c. 53.		(d) Coal Act, S.B.C. 1974, c. 15.			
(e) Net profit of mining operations.	(a) 1. Flat rate per acre for freehold minerals owned by corporations. 2. Assessed value of oil, potash and coal for preceding year. 3. Value of potash ore reserves, mine, plant.	(a) Assessed value of principal minerals in freehold lands.	(a) 1. Tracts outside designated producing areas. 2. Highly mineralized area with no operating mine. 3. Active production tracts.	Value of gold shipped from Yukon.	Annual value of output.	2
(b) Every owner of minerals rights on freehold land of 40 acres or more except bona fide farmers who are exempt.	(b) 1. Product ton of potash. 2. (i) Oil produced from Crown lands. (ii) Operator share of oil and road allowance oil produced from Crown lands. 3. (i) Net profit of mining companies (metallic minerals and uranium). (ii) Ton of coal.	(b) Value of production on Crown lands.	(b) Units of designated mineral sold, disposal of, or used by a producer.			
(c) Assessed value of minerals in, on, or under freehold land in a designated production area.	(a) Operator share of oil and road allowance oil produced from freehold rights.	(c) Oil and gas property in designated areas.	(c) 1. Crude petroleum. 2. Natural gas by-products. 3. Natural gas.			
(d) Net profit of mining operations.	(d) All oil produced.		(d) 1. Metallurgical coal. 2. Thermal coal.			
(a) 6% if income is under \$50,000; 23% on entire income if income exceeds \$50,000 (or a lesser amount as determined by the Lieutenant-Governor-in-Council).	(a) 1. (i) 50¢ (minimum tax \$1). (ii) Additional tax of 50¢ per acre or fraction thereof on all lands of 500,000 or more acres. 2. Producing tract tax of 8 mills times twice the assessed value. 3. Varies from nil under the average selling price of \$35.50 per short ton to 8.73169 mills on the average selling price of \$90 and over.	(a) Rates vary with respect to different classes of mineral rights, mineral rights with respect to different minerals and mineral rights in different areas.	(a) 1. 49,999 acres or less, 25¢ per acre. 50,000 - 99,999 acres, 40¢ per acre. 100,000 - 249,999 acres, 55¢ per acre. 250,000 - 499,999 acres, 70¢ per acre. 500,000 - 999,999 acres, 85¢ per acre. 1,000,000 acres and over \$1 per acre. 2. \$2 per acre. 3. Assessed value per acre as determined under regulations.	2½%	\$10,001 - \$1,000,000: 3% 1,000,001 - 5,000,000: 5% 5,000,001 - 10,000,000: 6% 10,000,001 and over: an additional 1% for each additional \$5,000,000, not to exceed 12%.	3

TABLE 6. Other Important Levies by Provincial Governments - Continued

No.		Newfoundland	Prince Edward Island	Nova Scotia	New Brunswick	Quebec	Ontario
1	Resource taxes - Concluded Rate	(b) Not exceeding 10 mills.	—	(b) Greater of: 2% of net sell- ing price or 15% of net in- come from mining opera- tions.	—	—	(b) 50¢ per acre.
2	Comments	The mining tax is levied on the greater of 80% of net income or net income minus rents or royalty pay- ments.	—	—	—	Net profit up to \$150,000 is exempt.	(a) Net profit up to \$100,000 is exempt.
	Logging taxes						
3	Statutory authority	—	—	—	—	Taxation Act; S.Q. 1972, c. 23 (Part vii).	—
4	Basis	—	—	—	—	Income from logging opera- tions.	—
5	Rate	—	—	—	—	10%	—
6	Comments	—	—	—	—	Full exemption is allowed where income is less than \$10,000; where income exceeds \$10,000, the tax is paid on the total income including the \$10,000. Tax credit of 1/3 of tax is pro- vided under the provincial Income Tax Act. Two- thirds may be deducted from the federal income tax under the provisions of the federal Income Tax Act.	—

TABLE 6. Other Important Levies by Provincial Governments - Continued

Manitoba	Saskatchewan	Alberta	British Columbia	Yukon Territory	Northwest Territories	No.
<p>(b) 10¢ per acre or fraction thereof.</p> <p>(c) 1. Eight mills of the assessed value of each well.</p> <p>2. The monthly incremental tax is calculated as follows: value of well production for month x 8 equals the assessed value x mill rate equals tax. The monthly incremental tax is in addition to the basic 8-mill tax which is applied to the same assessed value but on a yearly basis. Monthly mill rate schedules are different for new and developed wells.</p> <p>(d) 15% on base profit, 35% on excess of base profit (as determined by the Act).</p>	<p>(b) 1. Pro-rationing fee of \$1.20 per ton.</p> <p>2. (i) Regular crude oil royalty of up to 25% based on volume of production and valued at the well-head price.</p> <p>(ii) Royalty surcharge equal to the difference between the "basic" well-head price and the well-head prices.</p> <p>3. (i) From 5% to 12.5%.</p> <p>(ii) \$5 per ton.</p> <p>(c) Mineral income tax equal to difference between the "basic" well-head price and the well-head price.</p> <p>(d) 1.88% of all oil designated as road allowance oil. Crown share is 1%. Operator share is .88%. Crown share is sold at the well-head price.</p>	<p>(b) 1. Crude oil: 8.8% to 44.2% on monthly production for developed wells; 6.1% to 30.6% on monthly production for new wells.</p> <p>2. Synthetic oil: 8% of monthly production to 900,000 barrels; 20% in excess of 900,000 barrels.</p> <p>3. Natural gas: Varies from 22% of natural gas when field price is 26¢ or less per Mcf to 65% of the price increment over 72¢ for developed natural gas; for new natural gas, varies from 22% at 26¢ or less per Mcf to 35% of the price increment over 36¢. These royalty rates also apply to propanes and butanes.</p> <p>4. Sulphur: 16 2/3 of the value of marketable production.</p> <p>5. Pentanes plus: In accordance with the formula specified in the regulations.</p> <p>(c) Uniform rate of taxation as will be sufficient to defray 50% of the estimated net expenditure to be incurred by the Oil and Gas Conservation Board.</p>	<p>(b) 5% of net value of production plus one half net smelter value in excess of 120% of basic value determined under regulations; if net smelter returns range between 90% and 80% of the basic value, the basic rate is 2%. Where smelter returns are less than 80% of the basic value the basic rate is 1.5%.</p> <p>(c) Rates of royalty vary with mineral production. No royalty is payable on production contracted to B.C. Petroleum Corporation.</p> <p>(d) 1. \$1.50 per ton.</p> <p>2. 75¢ per ton.</p>	—	—	1
<p>(d) An operator required to pay royalty under this Act is exempt from the payment of royalty tax under the Mining Royalty and Tax Act.</p>	<p>(a) 1. Acreage tax does not apply to an owner who is an individual.</p> <p>2. Reduced royalty surcharge on the production of "new oil". Deduction from royalty surcharge of 100% of exploration and development expenditures in Saskatchewan up to 30¢ per barrel. Beyond this, 50% of approved expenditures may be deducted.</p>	<p>(a) At the time of publication, assessment for oil and natural gas was not yet specified. In 1973, the rate for oil was 16 mills.</p> <p>(b) 3.4.5. These royalty rates are applied to the value of production after the processing costs of the Crown's share of natural gas has been deducted.</p>	<p>(b) A reduction by 1% is available for provincial refinement other than milling.</p>	Rates established by Order-in-Council	Exemption for the first \$10,000 of output.	2
—	—	—	Logging Tax Act; R.S.B.C. 1960, c. 225 and amendments.	—	—	3
—	—	—	Net income.	—	—	4
—	—	—	15% where net income exceeds \$10,000.	—	—	5
—	—	—	Full exemption is allowed where net income is less than \$10,000, where net income exceeds \$10,000; the tax is paid on the total net income including the first \$10,000.	—	—	6
—	—	—	Tax credit of 20% of tax is provided under the provincial Income Tax Act. Two-thirds may be deducted from federal income tax under the provisions of the federal Income Tax Act.	—	—	

TABLE 6. Other Important Levies by Provincial Governments - Continued

No.		Newfoundland	Prince Edward Island	Nova Scotia	New Brunswick	Quebec	Ontario
	Motor vehicle registrations and driving permits						
1	Statutory authority . . .	The Highway Traffic Act; R.S.N. 1970, c. 152 and amendments.	The Highway Traffic Act; S.P.E.I. 1964, c. 14 and amendments.	Motor Vehicle Act; R.S.N.S. 1967, c. 191 amendments and regulations.	The Motor Vehicle Act; R.S.N.B. 1973, c. M17.	Highway Code; R.S.Q. 1964 c. 231 and amendments.	The Highway Traffic Act; R.S.O. 1970, c. 202 and amendments.
2	Basis	(a) Weight of the vehicle. (b) Operator.	(a) Weight of the vehicle. (b) Operator. (c) Chauffeur.	(a) Per 100 lb. vehicle weight. (b) Operator. (c) Chauffeur.	(a) Per lb. of weight of motor vehicle. (b) Operator. (c) Chauffeur.	(a) Per lb. of vehicle weight. (b) Operator. (c) Chauffeur.	(a) Number of cylinders for passenger vehicles; weight for commercial vehicles. (b) Operator. (c) Chauffeur.
3	Rate	(a) 1. Passenger vehicles: Up to 2,000 lb. - \$19 2,001 to 3,000 lb. - \$21 3,001 to 4,000 lb. - \$23 4,001 lb. and over - \$25. 2. Commercial vehicles: From \$23 (up to 4,000 lb.) to \$1,041 (69,001 - 70,000 lb.) (b) Operator's licence - \$9. (c) Chauffeur's licence - \$7.	(a) 1. Passenger vehicles: Not more than 2,049 lb. - \$23. Over 2,049 lb. up to and including 4,949 lb. - \$1 per 100 lb. 4,950 lb. and over - \$53. 2. Commercial vehicles: From \$17 (up to 3,000 lb.) to \$1,270 (110,500 lb.) (b) Operator's licence - \$4. (c) Chauffeur's licence - \$7.	(a) 1. Passenger vehicles: \$1 per 100 lb. of vehicle weight. Minimum licence fee is \$15. 2. Commercial vehicles: From \$29 (up to 4,000 lb.) to \$634 (49,001 - 50,000 lb.) (b) Operator's licence - \$6. (c) Chauffeur's licence - \$7 (one year).	(a) 1. Passenger vehicles: 1¢ per lb. of weight of motor vehicle; minimum fee of \$20 per vehicle plus a fee of \$4 for licence plates. 2. Commercial vehicles: From \$19 (up to 4,500 lb.) to \$1,435 (124,501 - 125,000 lb.) (b) Operator's licence - \$4 plus a \$6 unsatisfied judgement fee. (c) Chauffeur's licence - \$4 plus a \$6 unsatisfied judgement fee.	(a) 1. Passenger vehicles: 1¢ per lb (minimum \$20) plus a fee of \$1 for licence plates. 2. Commercial vehicles: \$50 up to 15,000 lb. and \$100 above 15,000 lb. (b) Operator's licence - \$6. (c) Chauffeur's licence - \$6.	(a) 1. Passenger vehicles: 4 cylinders or less \$23. 6 cylinders - \$32. 8 cylinders - \$40. 2. Commercial vehicles: From \$33 (up to 5,000 lb.) to \$2,021 (138,001 to 140,000 lb.) (b) Operator's licence - \$9. (c) Chauffeur's licence - \$9.
4	Comments	(a) Reduced rates apply later in the year. (b) Operator's licence has a three-year term. Expiry date is on licensee's birthday.	(a) Reduced rates apply later in the year. (b) Operator's and chauffeur's licences have a two-year term. Expiry date is on the last day of licensee's month of birth.	(a) Vehicle registration expires March 31. (b) Operator's licence has a three-year term.	(a) Reduced rates apply later in the year which expires Dec. 31. (b) Operator's and chauffeur's licences have a two-year term.	Operator's and chauffeur's licences have a two-year term.	Operator's and chauffeur's licences have a three-year term.

TABLE 6. Other Important Levies by Provincial Governments - Continued

Manitoba	Saskatchewan	Alberta	British Columbia	Yukon Territory	Northwest Territory	No.
The Highway Traffic Act; R.S.M. 1979, c. 146 and amendments.	The Vehicles Act; R.S.S. 1965, c. 377 and amendments.	The Highway Traffic Act; R.S.A. 1970, c. 169 and amendments.	Motor-vehicle Act; R.S.B.C. 1960, c. 253 and amendments.	Motor Vehicle Ordinance; R.O.Y.T. 1971 c. M11 and amendments.	Vehicles Ordinance; R.O.N.T. 1974, c. V-2.	1
(a) Length of wheel base for passenger vehicles; weight of commercial vehicles.	(a) Length of wheel base; weight of commercial vehicles.	(a) Length of wheel base for passenger vehicles; weight of commercial vehicles.	(a) Gross weight of vehicle.	(a) Length of wheel base.	(a) Flat rate for passenger vehicles; weight of commercial vehicles.	2
(b) Driver.	(b) Operator.	(b) Operator.	(b) Operator.	(b) Operator.	(b) Operator.	
(c) Chauffeur.	(c) Chauffeur.				(c) Chauffeur.	
(d) Passenger vehicles: \$12 for wheel base not exceeding 100" in length; for each additional 5" or portion thereof - from \$2 to \$4. Additional charge of 50¢ on all registrations for the Unsatisfactory Judgment Fund.	(a) 1. Passenger vehicles: \$16 for wheel base not exceeding 110"; \$22 for wheel base of 111" to 120"; \$28 for wheel base exceeding 120".	(a) 1. Passenger vehicles: \$15 for wheel base not exceeding 110"; \$20 for wheel base between 111" and 120"; \$25 for wheel base of over 120". Where no wheel base is established: \$20.	(a) 1. Passenger vehicles: 500 lb. or less - \$5. 501 lb. to 1,500 lb. - \$10 1,501 lb. to 2,000 - \$14 2,001 lb. to 3,000 - \$18 3,001 lb. to 4,000 - \$22 4,001 lb. to 5,000 - \$31 5,001 lb. to 6,000 - \$45 6,001 lb. to 7,000 - \$58 Plus first registration fee of \$1.	(a) \$15 for wheel base 100" or less; \$20 for wheel base 101" to 120"; \$25 for wheel base 121" and over.	(a) 1. Passenger vehicles: Operated on MacKenzie Highway - \$15. Operated elsewhere in the Territories - \$5.	3
2. Commercial vehicles: From \$16 (up to 6,000 lb.) to \$666 (109,001 - 110,000 lb.).	2. Commercial vehicles: From \$17 (up to 2,500 lb.) to \$2,222 or \$2,532, depending on the category (108,001 - 110,000 lb.).	2. Commercial vehicles: From \$30 (up to 3,000 lb.) to \$490 (40,000 - 41,000 lb.).	2. Commercial vehicles: From \$16 (up to 3,000 lb.) to \$830 (72,001 - 74,000 lb.).		2. Commercial vehicles: Operated on MacKenzie Highway \$6.50 per 1,000 lb. gross weight. Operated elsewhere in the Territories - \$1 per 1,000 lb. gross weight.	
(b) Operator's licence - \$6.	(b) Operator's licence - \$2.	(b) Operator's licence - \$10.	(b) Operator's licence - \$5.	(b) Operator's licence - \$3.	(b) Operator's licence - \$2.	
(c) Chauffeur's licence - \$8.	(c) Chauffeur's licence - \$3.				(c) Chauffeur's licence - \$3.	
(d) Reduced rates apply later in the year which expires February 28.	Operator's and chauffeur's licences have a one year term. Expiry date is April 30.	(a) Rates reduced by 40% after September 1 and 75% after January 1.	(a) Rates are reduced 1/12 each month to a minimum fee of \$2.	(a) Reduced rates apply later in the year.	(a) Rates are reduced to 40% after October 31.	4
(e) Operator's and chauffeur's licences issued for two years on birth date.		(b) Operator's licence has a five-year term; expiry date is March 31.	(b) Operator's licence has a five-year term.	(b) Operator's licence for a one year term. Expiry date is March 31.	(b) Both operator's and chauffeur's licences have one year terms.	

TABLE 6. Other Important Levies by Provincial Governments - Concluded

No.		New- foundland	Prince Edward Island	Nova Scotia	New Brunswick	Quebec	Ontario
	Hospitalization and medical care premiums and payroll taxes						
1	Statutory authority	-	-	-	-	Health Insurance Act; R.S.Q. 1970, c. 37 and amendments.	The Health Insurance Act; R.S.O. 1972, c. 91.
2	Basis	-	-	-	-	Gross salaries paid to employees who report for work in an establishment in Quebec.	Monthly premiums
3	Rate	-	-	-	-	8/10 of 1%	Single \$11 Family \$22
4	Comments	-	-	-	-	The proceeds of this levy are earmarked for medical care. Individuals also pay a special medical care income tax. See Table 3 under Quebec.	Premiums are waived for welfare recipients and persons 65 years of age and over. The province subsidizes 100% of the premium of persons with no taxable income and 50% of the premiums of single persons with taxable income of less than \$1,000 and families with taxable income of less than \$2,000. Hospitalization and medical care premiums are combined.
	Miscellaneous taxes						
5	Name of tax	-	-	-	-	-	Professional boxing and wrestling events
6	Statutory authority	-	-	-	-	-	The Amateurs Control Act; R.S.O. 1960, c. 26.
7	Basis	-	-	-	-	-	Gross receipts of professional boxing and wrestling events.
8	Rate	-	-	-	-	-	2%
9	Comments	-	-	-	-	-	-
10	Name of tax	-	-	-	-	-	Land transfer tax
11	Statutory authority	-	-	-	-	-	The Land Transfer Tax Act; S.O. 1974, c. 8.
12	Basis	-	-	-	-	-	Purchase price.
13	Rate	-	-	-	-	-	Up to \$35,000 - 3/10 of 1% Over \$35,000 - 3/5 of 1% 20% where land conveyed to non-resident.
14	Comments	-	-	-	-	-	-
15	Name of tax	-	-	-	-	-	Land speculation tax
16	Statutory authority	-	-	-	-	-	The Land Speculation Tax, S.O. 1974, c. 17.
17	Basis	-	-	-	-	-	Increase in the value of "designated land" (all real property in Ontario except Canadian resource property).
18	Rate	-	-	-	-	-	20%
19	Comments	-	-	-	-	-	Principal residence, recreational property transfers to the Crown or municipalities, expropriations, land for industrial or commercial purposes (other than apartment buildings) and farming land upon which agriculture is continued are exempted. Effective subsequent to April 9, 1974.

TABLE 6. Other Important Levies by Provincial Governments - Concluded

Manitoba	Saskatchewan	Alberta	British Columbia	Yukon Territory	Northwest Territories	No.
—	—	The Health Insurance Premiums Act; R.S.A. 1969, c. 45 and amendments.	Medical Services Act; S.B.C. 1967, c. 24.	Health Care Insurance Plan Ordinance; R.O.Y.T. 1971, c. H1.	—	1
—	—	Annual premiums.	Monthly premiums.	Monthly premiums.	—	2
—	—	Single \$69 Family \$138 A \$5 non-insurable registration fee is levied.	Single \$ 5 Family of two \$10 Family of three or more \$12.50	Single \$ 6.50 Family of two \$12.50 Family of three or more \$14.50	—	3
—	—	Persons 65 years of age and over and persons with no taxable income do not have to pay premiums. Hospitalization and medical care contributions are combined.	The hospital insurance program is financed from general tax revenue. The province subsidizes 90% of the premiums of persons with no taxable income in the previous year and 50% of the premiums of persons with taxable income not in excess of \$1,000 in the previous year.	The Territory subsidizes 100% of the premiums of persons with no taxable income and 50% of the premiums of single persons with taxable income of less than \$500, of families of two with taxable income of less than \$1,000 and of families of three or more with taxable income less than \$1,300.	—	4
Tax on electricity, telephone service and other products	Motor vehicle insurance tax	Bus mileage tax	—	Fur tax	Fur tax	5
The Revenue Act (Part D); R.S.M. 1970, c. R140 and amendments.	The Motor Vehicle Insurance Premiums Tax Act; 1967, c. 19.	The Public Service Vehicles Act; R.S.A. 1970, c. 300 and amendments.	—	Fur Export Ordinance; R.O.Y.T. 1971, c. F12 and amendments.	Fur Export Ordinance; R.O.N.T. 1974, c. F-11.	6
Purchase price of taxable products which include electricity, certain natural and manufactured gas, coal and derivatives, steam or hot water.	Gross premiums receivable.	By passenger mile.	—	\$1 per pelt exported.	Permit to export pelts \$1.	7
5%	1%	1/15 of 1¢ per passenger mile on hard surface roads; 2/45 of 1¢ per passenger mile on gravel roads.	—	Various rates.	—	8
Domestic purchase of taxable product used for heating dwelling are exempt.	—	—	—	Rates are established by regulations with a range from 1¢ to \$5 per pelt.	—	9
—	—	—	—	—	—	10
—	—	—	—	—	—	11
—	—	—	—	—	—	12
—	—	—	—	—	—	13
—	—	—	—	—	—	14
—	—	—	—	—	—	15
—	—	—	—	—	—	16
—	—	—	—	—	—	17
—	—	—	—	—	—	18
—	—	—	—	—	—	19

PART III

TAXES LEVIED BY MUNICIPAL GOVERNMENTS

TAXES LEVIED BY MUNICIPAL GOVERNMENTS

The principal revenue available to municipalities from their own sources is that generated by taxes on the ownership and occupancy of real property situated within their boundaries. The most important of such taxes is the real property tax (70% of own source revenue in 1972), followed by business taxes (7%) and special assessments taxes including local improvements charges (4%). It is worth noting that these taxes were in 1972-73 the largest source of tax revenue of consolidated provincial-local governments taxes.¹

Real Property Tax

The main aspects of the real property tax are set out in Table 1. According to the various provincial acts governing the taxation of real property at the municipal level, only municipal councils have powers to levy taxes on ratepayers residing within the territory under their jurisdiction. Exceptions to this general rule applicable to local governments are found in Quebec, where school boards are empowered to levy directly a real property tax which they collect themselves or have it collected by the municipality on their behalf, as it is done in the Montreal area for example; and in British Columbia where district school boards set the rates of the real property tax they are empowered to levy. Collection, however, is done either by municipalities or by the province.

In most other provinces, municipal councils, in addition to levying their own real property tax, are required by law to levy and collect this tax up to an aggregate amount necessary to meet the requirements submitted to them by local entities, governed by provincial statutes, which are situated, in whole or in part, within the territory under their jurisdiction. Among such local entities are school boards (local and regional), counties, regional municipalities and districts, special authorities (e.g., Conservation Authorities in Ontario), special area boards or units (e.g., Regional Health Units in Ontario), and special entities established for providing specific services (e.g., Regional Hospital Boards in British Columbia).

Broadly speaking, municipal councils set the real property tax rates both for their own requirements and to meet the obligation to provide funds to the various local entities empowered to requisition them. Exceptions to this practice are found in New Brunswick and Prince Edward Island, where the municipal real property tax is collected by the provincial governments according to rates determined so as to generate amounts of revenue corresponding to municipal financial requirements.

The real property tax rate is generally expressed in mills (rate per \$1,000 of the base) or as a rate per \$100 of the base. It is, however, very difficult to make valid comparisons of rates across Canada. Some of the principal factors affecting rate comparability are:

- (a) widely varying methods of assessment of real property value not only among the provinces but also, to a large extent, among local entities within a province;
- (b) different ways of determining the fair market value or real value of properties among assessment authorities;
- (c) various degrees of development of the municipal system from one province to another;
- (d) uneven delegation of responsibilities to municipalities by the government of each province and, hence, different form and magnitude of the financial assistance that municipalities receive from their respective provincial governments.

For all these reasons and a number of others of less importance, no specific rates are reported in this publication.

Business Tax

Proceeds from the business tax levied on the owners or operators of a business, in addition to the real property tax on the

owners of the premises, are the second most important revenue available to municipalities from their own sources. There are numerous bases upon which business taxes are imposed. The most commonly used throughout the provinces are as follows:

(a) **Rental value** — The business tax rate is applied to a specific or prescribed percentage of the assessed rental value of either the entire real property or, as the case may be, part of it used to carry out business. Maximum rates of taxation and percentages of rental value are generally laid down by statutes or fixed by a by-law. Rental value of business real properties is used as the business tax basis by all municipalities in Manitoba, Alberta and British Columbia, by the cities and towns in Quebec and the cities of Saskatchewan.

(b) **Real property assessment** — The value on which the business tax is levied is determined through the application of percentages (usually established by provincial legislation) to the assessed capital values of real property occupied for business purposes. Ontario, Prince Edward Island and Newfoundland appear to be the sole provinces currently authorizing this form of business taxation.

(c) **Stock-in-trade** — The tax base is the assessed average value of goods on hand at a specified date. Actual costs, selling prices or any intermediate estimated value may be used to assess the tax base. This type of tax base for business taxation purposes is used, in varying degrees, in Newfoundland, Nova Scotia, Quebec and Manitoba.

(d) **Square footage** — In this instance, the business tax payable is determined by applying a dollar rate by square foot of the premises' area occupied to carry out business activities. This way of determining the business tax is mainly used in Saskatchewan and, to a lesser extent, in Alberta.

Business tax rates applied to any one of the above-described tax basis vary among types of business and between cities and the other categories of municipal legal organizations, i.e., towns, villages, etc.

Special Assessment Taxes and Local Improvement Charges

Unlike the above-mentioned municipal levies, special assessment taxes and local improvement charges are related to the supply of specific services. The first type is generally, but not always, levied throughout a municipality's territory for financing all or part of services benefiting the entire or a large proportion of the local population. For instance, services such as the supply of water, street lighting, garbage collection and disposal may bear a special tax whose base is either the consumption of a particular service (e.g., the consumption of water in the case of water supply), a fixed amount per ratepayer based on the cost of the service or a special rate against the assessed value of real property.

The second type of levies, local improvement charges, are mainly instituted for financing specific new undertakings (e.g., sidewalks, sewers, water mains, roads, etc.) and, thus, are generally, but not always, temporary. In other words, they should theoretically last as long as required to finance all or portions of the initial capital expenditure entailed by the new undertaking. Usually, the initial costs are distributed among the ratepayers receiving direct benefits from the new service. Criteria used to distribute these costs vary however among municipalities: in some cases, only the residents of a particular area within the municipality bear such costs whilst, in other instances, all ratepayers of the municipality are taxed although they may not benefit directly from the related undertaking. Also, the base upon which costs are distributed varies among municipalities. It may be total or portion of the real property assessed value, land area or frontage on streets.

For reasons, even more obvious than in the case of real property taxes, yield and rate comparisons of the above described among provinces cannot be established.

¹ For more information on the importance of real property taxes in municipal revenue, refer to *Consolidated Government Finance*, Catalogue 68-162.

TABLE 7. Main Aspects of the Real Property Tax

No.		Newfoundland	Prince Edward Island	Nova Scotia	New Brunswick	Quebec	Ontario
1	Statutory authority	<p>(a) The Assessment Act; R.S.N. 1970, c. 14 and amendments.</p> <p>(b) The Local Government Act; S.N. 1972, Act No. 32 and amendments.</p> <p>(c) Local School Tax Act; R.S.N. 1970, c. 220 and amendments.</p> <p>(d) Forest Land (Management and Taxation) Act; S.N. 1974, Act No. 59 and amendments.</p>	<p>(a) Real Property Assessment Act; S.P.E.I. 1971, c. 38 and amendments.</p> <p>(b) Real Property Act; S.P.E.I. 1971, c. 56 and amendments.</p> <p>(c) The School Act; R.S.P.E.I. 1951, c. 145 and amendments.</p>	<p>(a) The Assessment Act; R.S.N.S. 1967, c. 14 and amendments.</p> <p>(b) The Municipal Act; R.S.N.S. 1967, c. 192 and amendments.</p> <p>(c) The Education Act; R.S.N.S. 1967, c. 81 and amendments.</p> <p>(d) The Land Tax Act; R.S.N.S. 1967, c. 161 and amendments.</p> <p>(e) Halifax City Charter; S.N.S. 1963, c. 52 and amendments.</p>	<p>(a) The Assessment Act; R.S.N.B. 1973, c. 14 and amendments.</p> <p>(b) Real Property Tax Act; R.S.N.B. 1973, c. R2 and amendments.</p>	<p>(a) Real Estate Assessment Act; S.Q. 1972, c. 50 and amendments.</p> <p>(b) The Cities and Towns Act; R.S.Q. 1964, c. 193 and amendments.</p> <p>(c) Municipal Code; S.Q. 1870, c. 68; revised in 1916 and further amended.</p> <p>(d) Quebec and Montreal Town Charters.</p> <p>(e) Education Act; R.S.Q. 1964, c. 235 and amendments.</p>	<p>(a) Assessment Act; R.S.O. 1970, c. 32 and amendments.</p> <p>(b) Municipal Act; R.S.O. 1970, c. 284 and amendments.</p> <p>(c) The Provincial Land Tax Act; S.O. 1972, c. 140 and amendments.</p> <p>(d) Separate Schools Act; R.S.O. 1970, c. 430 and amendments.</p>
2	Method of assessment	<p>(b) (c) Assessment at actual value by municipal assessors under the supervision of a provincial appointed director of assessments.</p> <p>(d) Fair market value of unmanaged land and net present value of managed land.</p>	<p>(a) (b) (c) Assessment made at the market value or real value of real property.</p>	<p>(a) (c) Assessment made at the actual cash value of property.</p> <p>(d) Value of land assessed, for purposes of taxation, at \$2 an acre.</p> <p>(e) Assessed value as determined by the city assessor.</p>	<p>(a) Assessment made at real and true value of real property by provincial assessors.</p>	<p>(a) (b) (d) (e) Assessment made at real value of property in accordance with the provincial assessment handbook.</p>	<p>(a) Lands and buildings assessed at market value annually by provincial assessment commissioner. The province is divided into assessment areas and assessment districts.</p>
3	Rate determination	<p>(b) Determined by Municipal Councils.</p> <p>(c) Fixed annually by the Authority of the School Tax Area, whether as a real property or as a poll tax or both, who levies and collects it.</p> <p>(d) Persons holding timber rights are subject to a standard land tax not to exceed 21¢ per acre. An additional tax of 5% on the fair market value of unmanaged land and of 1% on the net present value of managed land.</p>	<p>(a) (b) Determined, levied and collected by the province.</p> <p>(b) Determined by City Councils in addition to the provincial property tax.</p> <p>(c) Determined by Board of School Trustees after deducting the yield of the poll tax.</p>	<p>(a) Determined by City Councils.</p> <p>(d) Determined and levied by the province on value of taxable land.</p> <p>(c) Area rate on the assessed value of property, determined by municipality council, necessary to levy sums required by trustees of school authorities.</p>	<p>(b) Determined, levied and collected by the province.</p> <p>(b) Rate determined annually to provide for local services within a local service district and for financing supplementary school programs.</p> <p>Municipalities may determine a rate in addition to the provincial rate and have collections made by the province.</p>	<p>(b) (c) (d) Determined by Municipal Councils.</p> <p>(e) A uniform rate of \$1.05 throughout the province, as determined by the Department of Education, but school boards are free to charge an additional rate to meet certain expenditure. School taxes are levied and collected by school boards in most of the province, except in the cities of Montreal, Quebec and Sherbrooke where collection is made on behalf of school boards by the municipality.</p>	<p>(b) Determined annually by Municipal Councils for general and public school purposes.</p> <p>(c) In unorganized regions, provincial property tax of 1 1/2%; minimum tax in respect of any land: \$6.</p> <p>(d) Determined by separate school boards but generally collected by the municipality.</p>

TABLE 7. Main Aspects of the Real Property Tax

Manitoba	Saskatchewan	Alberta	British Columbia	Yukon Territory	Northwest Territories	No.
<p>(a) The Municipal Assessment Act; R.S.M. 1970, c. M226 and amendments.</p> <p>(b) The Municipal Act; R.S.M. 1970, c. M225 and amendments.</p> <p>(c) Major cities' individual city charters.</p> <p>(d) The Public School Act; R.S.M. 1970, c. P350 and amendments.</p> <p>(e) The Commissioner of Northern Manitoba Affairs Act; R.S.M. 1970, c. N100 and amendments.</p>	<p>(a) The Urban Municipalities Act; S.S. 1970, c. 78 and amendments.</p> <p>(b) The Rural Municipality Act; S.S. 1972, c. 101 and amendments.</p> <p>(c) The Local Improvement Districts Act; R.S.S. 1965, c. 151 and amendments.</p> <p>(d) The Northern Administration Act; R.S.S. 1965, c. 412 and amendments.</p> <p>(e) The School Assessment Act; R.S.S. 1965, c. 187 and amendments.</p>	<p>(a) The Municipalities Assessment and Equalization Act; R.S.A. 1970, c. 252 and amendments.</p> <p>(b) The Municipal Taxation Act; R.S.A. 1970, c. 251 and amendments.</p> <p>(c) The School Act; R.S.A. 1970, c. 239 and amendments.</p> <p>(d) The Electric Power and Pipe Line Assessment Act; R.S.A. 1970, c. 119 and amendments.</p>	<p>(a) The Assessment Act; S.B.C. 1974, c. 6 and amendments.</p> <p>(b) Municipal Act; R.S.B.C. 1960, c. 255 and amendments.</p> <p>(c) Public School Act; R.S.B.C. 1960, c. 319 and amendments.</p> <p>(d) Taxation Act; R.S.B.C. 1960, c. 376 and amendments.</p> <p>(e) Vancouver Charter, S.B.C. 1953, c. 55 and amendments.</p>	<p>Taxation Ordinance; O.Y.T. 1972, c. T13 and amendments.</p>	<p>(a) Municipal Ordinance; R.O.N.T. 1974, c. M-15.</p> <p>(b) Property Taxation Ordinance; O.N.T. 1975, c T1.</p>	1
<p>(a) Land assessed at full value; buildings at 2/3 of value.</p> <p>(b) Provincial-municipal assessor to supervise municipal assessments and equalize assessments as between municipalities included in municipal assessment districts.</p>	<p>(a) Lands assessed at fair value; buildings and improvements assessed at not more than 60% of fair value.</p> <p>(b) (c) (d) Lands assessed at fair value; buildings assessed at 60% of fair value.</p> <p>(e) Taxable assessment for municipal purposes.</p>	<p>(b) Land assessed at fair actual value; improvements assessed at percentage of fair actual value.</p>	<p>(a) Lands and improvements assessed at actual value.</p> <p>(b)(c)(e) Land assessed at full value and improvements at 75% of full value.</p>	<p>Land assessed at fair value; improvements assessed in accordance with the assessment manual approved by the Commissioner.</p>	<p>(a) Land assessed at fair value; buildings at 2/3 of fair value.</p> <p>(a) Land and improvements assessed separately at fair actual value.</p>	2
<p>(a) Determined by municipal councils for general purposes.</p> <p>(b) School tax: a flat rate, determined by the province under the School Foundation Program and an additional rate, determined by municipalities to meet the further requirements of their school boards; both levied and collected by municipalities.</p> <p>(c) School tax levied and collected in unorganized areas by the resident administrator at a rate determined by him.</p> <p>(d) A real property tax, at a rate determined by the province, may be levied and collected in unorganized northern areas by the Commissioner of Northern Affairs.</p>	<p>(a) (b) Determined by Municipal councils.</p> <p>(c) Determined by the Minister of Municipal Affairs.</p> <p>(d) Determined by the administrator of the Act.</p> <p>(e) Requisitions upon municipalities to levy amounts necessary to meet requirements.</p>	<p>(b) (d) Determined by Councils to meet amounts requisitioned upon them.</p> <p>(c) School boards must submit, in a prescribed form to municipalities, requisitions stating the amounts of property tax revenue to be raised by each municipality. This provision does not apply to school boards empowered to collect their own school taxes.</p> <p>(c) Each municipality should pay into the School Foundation Program Fund amounts resulting from applying a rate, not exceeding 30 mills, to the equalized assessment as established under the Act mentioned in (a).</p>	<p>(b) Determined by Municipal Councils for own requirements and those requisitioned upon them by various boards.</p> <p>(c) Determined by school boards and stated in their requisitions upon municipalities or upon the province in unorganized areas.</p> <p>(d) Determined by the province in unorganized area.</p> <p>(e) Determined by City Council.</p>	<p>Determined by Municipal Councils for real properties within municipal boundaries for both municipal and school purposes, and by territorial Councils for real properties in non-municipal organized areas for school purposes.</p>	<p>(a) Determined by the council of every district.</p> <p>(b) Determined by the Commissioner in unorganized areas for general purposes.</p> <p>(b) In addition the Commissioner may, for school purposes, levy in hamlets a property tax not exceeding 20 mills.</p>	3

TABLE 7. Main Aspects of the Real Property Tax - Conclusion

No.		Newfoundland	Prince Edward Island	Nova Scotia	New Brunswick	Quebec	Ontario
4	Main exemptions .	<p>(b) Crown property; lands and buildings used for educational or religious purposes; lands and buildings used in connection with a provincially subsidized hospital; lands and buildings used for library purposes; historical property; land used solely on a non-profit basis for community games, sports, athletics, etc., property used by a charitable or philanthropic institution. Tax exemptions voted by Municipal Councils.</p> <p>(d) Lands under 300 acres, area situated in St. John's or Corner Brook; land assessed under the Local Government Act.</p>	<p>(b) Places of public worship; non-profit cemetery or burying ground; public parks; Crown lands; buildings or structures which are part of a purification system but not the land on which they are situated; university lands; public educational institutions, real property owned or used by the Maritime Christian College for religious education; real property owned by the Queen in right of Canada.</p> <p>(c) Real property of cheese and butter factories; public halls; orphanages; cemeteries; parochial residences; school; churches.</p>	<p>(a) Crown property; church property; schools; municipal buildings; school lands; city, town and municipal property; firefighting equipment; property of widows and infants; agricultural society property; farm tools, livestock; tools of tradesmen; fishing equipment; farm produce; animals' pelts; sea products; railway stock; boats; property used in offshore petroleum exploration; Royal Canadian Legion; Boy Scouts; Girl Guides; hospital property; aircraft; village property. Tax exemptions voted by Legislature.</p>	<p>(a) Real property owned by a church or religious order and used solely for religious, educational or charitable purposes; burying grounds; real property used for educational purposes and owned by universities and affiliated colleges and institutions; private schools; property owned by scientific, literary and historical societies; real property owned by charitable organizations.</p>	<p>(b) Crown lands; federal, provincial and municipal property; property owned by fabriques, religious, charitable or educational institutions; churches; cemeteries; libraries; subsidized railway; private educational establishments and institutions; registry offices; exhibition property of agricultural and horticultural societies; property of school municipalities governed by special acts. Tax exemptions voted by Municipal Councils.</p>	<p>(a) Crown lands; Indian lands; churches; cemeteries; public educational institutions; philanthropic or religious seminaries; educational seminaries; public hospitals; highways; municipal property; Boy Scouts and Girl Guides; industrial farms; charitable institutions; children's aid societies; scientific or literary institutions; battle sites; exhibition buildings of companies; machinery for manufacturing or farming purposes; land used for forestry purposes; property of telephone and telegraph companies; religious institutions; navy leagues; mining buildings and minerals.</p>
5	Comments	<p>(e) Minimum real property tax of \$5.</p> <p>The cities of St. John's and Corner Brook levy taxes under separate Acts.</p>	<p>Tax rate on farm property is 50% of the general rate, except for farm residences.</p>	<p>Persons aged 65 or over are exempt from property tax.</p> <p>Persons having an annual income below \$3,500 may have an exemption up to \$4,500.</p>	<p>School district and local service district tax rates are fixed annually by the Minister of Municipal Affairs.</p> <p>Collections are made by the provincial government except in cases where a municipality desires to levy a municipal tax in addition to the provincial tax.</p>	<p>For municipalities governed by the Municipal Code, assessment is made by County Councils.</p> <p>Factors of correction are applied to municipal assessments for school tax purposes by the Department of Education.</p>	<p>(b) Minimum real property tax of \$1 levied by the province in unorganized areas.</p>

TABLE 7. Main Aspects of the Real Property Tax - Concluded

Manitoba	Saskatchewan	Alberta	British Columbia	Yukon Territory	Northwest Territories	No.
Crown lands, Indian lands; municipal lands, public and private school lands and buildings; hospitals; educational institutions; churches; Sunday schools; building used for religious purposes; public burying grounds; lands and buildings of old age homes; agricultural societies; colleges and seminaries; charitable institutions; Y.M.C.A.; Y.W.C.A.; Y.M.H.A.; municipal buildings for community purposes.	Crown property, Indian lands; place of public worship and connected land under certain conditions; certain cemeteries; certain property owned and occupied by a school district or school unit; hospital buildings and ground under certain conditions; Y.M.C.A.; Y.W.C.A.; law school established and maintained by the Benchers of the Law Society of Saskatchewan; municipal property; highways; lane, park; public libraries; building and grounds owned by a branch of the Royal Canadian Legion Saskatchewan Command; veterans and disabled veterans' association of Saskatchewan; the Canadian Mental Health Association; war memorial and ground connected therewith; Child Welfare Society; Agricultural Society; buildings owned by a rural municipality and used for municipal purposes.	Land and improvements owned by a municipality or the Crown; school buildings and school lands owned by a school district or school division; parcel of land held by or for the use of any religious body; building used for public worship or religious education; cemeteries; land of a provincially subsidized hospital; minerals; farm buildings; growing crops; irrigation works held by an irrigation district; property held by a public college or any educational institution; land and improvement vested in a library board; fallout shelters.	Crown lands; municipal lands; public libraries; property vested in school boards; Indian lands; cemeteries; churches; homes for the aged; public hospitals; private education and institutions; fruit trees; farm improvements; parks or recreation facilities owned by another municipality; parks property used for athletic or recreational purposes; charitable organizations; agricultural and horticultural societies; historical sites; property used and land acquired for water purposes; fixture, machinery, etc., removable by tenants.	Crown land; land for the public use of the Territory; land used by municipalities; universities; libraries; hospitals; mental institutions, orphanages and homes for the aged supported entirely by the Territory; land used for cemeteries; land and buildings held by or for the use of divine service, public worship or religious education.	Property owned by a literary or scientific institute or society or orphanage, university, hospital, public library, asylum or home for the aged or infirm; property owned by a municipal district or held by the Crown; property used as a public or separate school; church; cemeteries.	4
Cities with individual charters: Brandon Portage la Prairie Winnipeg	—	Pipelines, electric works and transmission lines are assessed under the <i>Electric Power and Pipe Line Assessment Act</i> ; S.A. 1961, c. 29.	Taxes are levied on land alienated from the railway company under the <i>Esquimalt and Nanaimo Railway Belt Land Tax Act</i> ; R.S.B.C. 1960, c. 133.	A school tax is levied by the territorial government on the assessed value of real property outside a municipality's boundaries. There is a basic rate of school tax determined by the territorial commissioner, collected by the municipalities and paid to the territorial treasurer.	In hamlet an education tax is levied on the assessed value of all lands by the territorial government.	5

PART IV

HISTORICAL TABLES OF SELECTED TAXES

TABLE I. Personal Income Taxes levied by the Federal Government, 1965 to 1975

1965	1967
<p>RATES</p> <p>"Basic" personal income tax (excluding old age security tax): 11% on first \$1,000 of taxable income \$ 110 on \$ 1,000 plus 14% on next \$ 1,000 250 " 2,000 " 17% " " 1,000 420 " 3,000 " 19% " " 1,000 610 " 4,000 " 22% " " 2,000 1,050 " 6,000 " 26% " " 2,000 1,570 " 8,000 " 30% " " 2,000 2,170 " 10,000 " 35% " " 2,000 2,870 " 12,000 " 40% " " 3,000 4,070 " 15,000 " 45% " " 10,000 8,570 " 25,000 " 50% " " 15,000 16,070 " 40,000 " 55% " " 20,000 27,070 " 60,000 " 60% " " 30,000 45,070 " 90,000 " 65% " " 35,000 67,820 " 125,000 " 70% " " 100,000 137,820 " 225,000 " 75% " " 175,000 269,070 " 400,000 " 80% " remainder</p> <p>Old age security tax: 4% of taxable income (maximum \$120).</p> <p>Tax on investment income from sources outside Canada: 4% of the taxpayer's income from investment outside Canada, after deduction of \$2,400 or the total of his personal exemptions, whichever is greater, plus allowable charitable donations and medical expenses.</p> <p>EXEMPTIONS AND DEDUCTIONS</p> <p>Single \$1,000 Married 2,000 Dependants: Child under 16 300 Other dependant 550 Old age (taxpayer 65 years of age and over) 500 Charitable donations, medical expenses and union dues: Charitable donations: Up to 10% of income. Medical expenses: Over 3% of income. Union or professional dues: No restriction.</p> <p>or</p> <p>Standard deduction of \$100 (in lieu of claiming deductions for charitable donations, medical expenses and union or professional dues).</p> <p>TAX ABATEMENTS, REDUCTIONS AND CREDITS</p> <p>Increase in the provincial income tax abatement to 21% in all provinces other than Quebec, and 44% in Quebec (the additional 23 percentage points in Quebec are in respect of fiscal compensation for opting out of certain federal-provincial shared cost programs).</p> <p>Provision of a tax reduction equal to 5% of "basic" personal income tax (maximum \$300).</p> <p>The credit for dividends from Canadian corporations remains at 20% of the amount of dividends received.</p>	<p>TAX ABATEMENTS, REDUCTIONS AND CREDITS</p> <p>Increase in the provincial income tax abatement to 28% in all provinces other than Quebec, and 50% in Quebec.</p> <p>The tax reductions of the previous year are changed to a single reduction equal to 20% of "basic" personal income tax (maximum \$20).</p> <p>The credit for dividends from Canadian corporations remains at 20% of the amount of dividends received.</p>
	1968
	<p>RATES</p> <p>Same as 1967 except for the imposition of a surtax equal to 3% of basic personal income tax in excess of \$200.</p> <p>EXEMPTIONS AND DEDUCTIONS</p> <p>Same as 1966.</p> <p>TAX ABATEMENTS, REDUCTIONS AND CREDITS</p> <p>Same as 1967.</p>
	1969
	<p>RATES</p> <p>Same as 1968 except for the imposition of a social development tax equal to 2% of taxable income (maximum \$120).</p> <p>EXEMPTIONS AND DEDUCTIONS</p> <p>Same as 1966.</p> <p>TAX ABATEMENTS, REDUCTIONS AND CREDITS</p> <p>Same as 1967.</p>
	1970
	<p>RATES</p> <p>Same as 1969.</p> <p>EXEMPTIONS AND DEDUCTIONS</p> <p>Same as 1966 except that the old age exemption of \$500 is cancelled to persons 70 years of age and over.</p> <p>TAX ABATEMENTS, REDUCTIONS AND CREDITS</p> <p>Same as 1967.</p>
	1971
	<p>RATES</p> <p>"Basic" personal income tax (excluding old age security tax): Nil on first \$500 of taxable income Nil on \$ 500 plus 16% on next \$ 1,500 \$ 240 " 2,000 " 18% " " 1,000 420 " 3,000 " 19% " " 1,000 610 " 4,000 " 22% " " 2,000 1,050 " 6,000 " 26% " " 2,000 1,570 " 8,000 " 30% " " 2,000 2,170 " 10,000 " 35% " " 2,000 2,870 " 12,000 " 40% " " 3,000 4,070 " 15,000 " 45% " " 10,000 8,570 " 25,000 " 50% " " 15,000 16,070 " 40,000 " 55% " " 20,000 27,070 " 60,000 " 60% " " 30,000 45,070 " 90,000 " 65% " " 35,000 67,820 " 125,000 " 70% " " 100,000 137,820 " 225,000 " 75% " " 175,000 269,070 " 400,000 " 80% " remainder</p> <p>Old age security tax: 4% of taxable income (maximum \$240).</p> <p>The social development tax is reduced to 2% of taxable income in excess of \$1,000 (maximum \$100).</p> <p>The surtax on basic personal income tax in excess of \$200 is reduced to 1 1/2%.</p> <p>Tax on investment income from sources outside Canada: 4% of the taxpayer's income from investment outside Canada, after deduction of \$2,400 or the total of his personal exemptions, whichever is greater, plus allowable charitable donations and medical expenses.</p> <p>EXEMPTIONS AND DEDUCTIONS</p> <p>Same as 1970 except that the amount of any guaranteed income supplement payable under the Old Age Security Act is deductible in computing taxable income.</p> <p>TAX ABATEMENTS, REDUCTIONS AND CREDITS</p> <p>Same as 1967 except for the repeal of the "basic" personal income tax reduction of 20% (maximum \$20) and the introduction of a tax cut equal to 1 1/2% of "basic" personal income tax (effectively 3% of "basic" personal income starting from July 1, 1971).</p>
1966	
<p>RATES</p> <p>Same as 1965.</p> <p>EXEMPTIONS AND DEDUCTIONS</p> <p>Same as 1965, except that a separate deduction is allowed for union and professional dues in addition to the standard deduction of \$100 and that the \$500 deduction for a taxpayer between the ages of 65 and 70 is cancelled if he is in receipt of old age security benefits.</p> <p>TAX ABATEMENTS, REDUCTIONS AND CREDITS</p> <p>Increase in the provincial income tax abatement to 24% in all provinces other than Quebec, and 47% in Quebec.</p> <p>Cancellation of the tax reduction enacted in 1965 and provision of two separate tax reductions equal to 4% of "basic" personal income tax (maximum \$240) and 12% of "basic" personal income tax (maximum \$12).</p> <p>The credit for dividends from Canadian corporations remains at 20% of the amount of dividends received.</p>	
1967	
<p>RATES</p> <p>Same as 1965 except for an increase from 4% (maximum \$120) to 4% (maximum \$240) in the old age security tax rate.</p> <p>EXEMPTIONS AND DEDUCTIONS</p> <p>Same as 1966.</p>	

TABLE I. Personal Income Taxes levied by the Federal Government, 1965 to 1975 - Concluded

1972	1973
<p>CHANGES IN THE CONCEPT OF INCOME</p> <p>Under tax reform, income is broadened to include half of capital gains; half of capital losses are deductible from capital gains brought into income or from other income if they do not exceed \$1,000. Income is also broadened to include unemployment insurance benefits and other receipts hitherto excluded from its ambit.</p>	<p>EXEMPTIONS AND DEDUCTIONS</p> <p>Single \$1,600 Married 3,000 Other exemptions and deductions: Same as 1972.</p> <p>TAX ABATEMENTS, REDUCTION AND CREDITS</p> <p>Provincial income tax abatement: Same as 1972.</p> <p>Tax reduction: A tax reduction equal to 5% of basic personal income with a minimum of \$100 and a maximum of \$500 was granted for all taxpayers. It replaces the 3% reduction of basic personal income tax in force in 1972.</p> <p>Dividend tax credit: Same as 1972.</p>
<p>RATES</p> <p>17% on the first \$500 of taxable income \$ 85 on \$ 500 plus 18% on next \$ 500 175 " 1,000 " 19% " " 1,000 365 " 2,000 " 20% " " 1,000 565 " 3,000 " 21% " " 2,000 985 " 5,000 " 23% " " 2,000 1,445 " 7,000 " 25% " " 2,000 1,945 " 9,000 " 27% " " 2,000 2,485 " 11,000 " 31% " " 3,000 3,415 " 14,000 " 35% " " 10,000 6,915 " 24,000 " 39% " " 15,000 12,765 " 39,000 " 43% " " 21,000 21,795 " 60,000 " 47% " excess</p> <p>The old age security and social development taxes are eliminated as separate levies and the surtax and the 4% tax on investment income from sources outside of Canada are cancelled.</p>	<p>RATES</p> <p>12% on the first \$500 of taxable income \$ 64 on \$ 533 plus 18% on next \$ 533 160 " 1,066 " 19% " " 1,066 362 " 2,132 " 20% " " 1,066 576 " 3,198 " 21% " " 2,132 1,023 " 5,330 " 23% " " 2,132 1,514 " 7,462 " 25% " " 2,132 2,047 " 9,594 " 27% " " 2,132 2,622 " 11,726 " 31% " " 3,198 3,614 " 14,924 " 35% " " 10,660 7,345 " 25,584 " 39% " " 15,990 13,581 " 41,574 " 43% " " 21,386 23,207 " 63,960 " 47% " excess</p>
<p>EXEMPTIONS AND DEDUCTIONS</p> <p>Single \$1,500 Married 2,850 Dependents: Child under 16 300 Other dependant 550 Student in full-time attendance at a post-secondary educational institution \$50 per month of attendance Old age (taxpayers 65 years of age and over) 1,000 Taxpayer who is blind or confined to a wheelchair 1,000 Charitable donations, medical expenses and union dues: Charitable donations: Up to 20% of income. Medical expenses: Over 3% of income.</p> <p>or</p> <p>Standard deduction of \$100 (in lieu of claiming deductions for charitable donations and medical expenses).</p> <p>Union or professional dues: No restriction.</p> <p>Child care expenses: \$500 for each child under 14 years of age (maximum \$2,000 per family).</p> <p>Employment expenses: Up to 3% of employment income (maximum \$150).</p> <p>Moving expenses: Reasonable expenses incurred by a taxpayer who changes job.</p>	<p>EXEMPTIONS AND DEDUCTIONS</p> <p>Single \$1,706 Married 3,198 Dependents: Child under 16 320 Other dependant 586 Old age (taxpayers 65 years of age and over) 1,066 Taxpayers who are blind or confined to wheelchair 1,066 Other exemptions and deductions: Same as 1972.</p> <p>TAX ABATEMENTS, REDUCTION AND CREDITS</p> <p>Provincial income tax abatement: Same as 1972.</p> <p>Tax reduction: Same as 1973.</p> <p>Dividend tax credit: Same as 1972.</p>
<p>TAX ABATEMENTS, REDUCTIONS AND CREDITS</p> <p>Provincial income tax abatement: All provinces other than Quebec: Nil. Quebec: 24% of federal personal income tax.</p> <p>Tax reduction: 3% of basic personal income tax.</p> <p>Dividend tax credit: Individuals are allowed a credit for dividends which operates as follows: the amount of dividend received is increased by 33 1/3% and added to income and 20% of the "grossed up" dividend is allowed as a credit against tax.</p>	<p>RATES</p> <p>9% on the first \$587 of taxable income \$ 53 on \$ 587 plus 18% on next \$ 587 158 " 1,174 " 19% " " 1,174 382 " 2,348 " 20% " " 1,174 616 " 3,522 " 21% " " 2,348 1,109 " 5,870 " 23% " " 2,348 1,649 " 8,218 " 25% " " 2,348 2,236 " 10,566 " 27% " " 2,348 2,870 " 12,914 " 31% " " 3,522 3,962 " 16,436 " 35% " " 11,740 8,071 " 28,176 " 39% " " 17,610 14,939 " 45,786 " 43% " " 24,654 25,540 " 70,440 " 47% " excess</p>
<p>RATES</p> <p>15% on the first \$500 of taxable income \$ 75 on \$ 500 plus 18% on next \$ 500 165 " 1,000 " 19% " " 1,000 355 " 2,000 " 20% " " 1,000 555 " 3,000 " 21% " " 2,000 975 " 5,000 " 23% " " 2,000 1,435 " 7,000 " 25% " " 2,000 1,935 " 9,000 " 27% " " 2,000 2,475 " 11,000 " 31% " " 3,000 3,405 " 14,000 " 35% " " 10,000 6,905 " 24,000 " 39% " " 15,000 12,755 " 39,000 " 43% " " 21,000 21,785 " 60,000 " 47% " excess</p>	<p>EXEMPTIONS AND DEDUCTIONS</p> <p>Single \$1,878 Married 3,522 Dependents: Child under 16 352 Other dependant 646 Old age (taxpayers 65 years of age and over) 1,174 Taxpayers who are blind or confined to wheelchair 1,174 Other exemptions and deductions: Same as 1972.</p> <p>TAX ABATEMENTS, REDUCTION AND CREDITS</p> <p>Provincial income tax abatement: Same as 1972.</p> <p>Tax reduction: A general 8% reduction of tax payable with a minimum of \$200 and a maximum of \$500.</p> <p>Dividend tax credit: Same as 1972.</p>

TABLE II. Personal Income Taxes levied by the Province of Quebec, 1965 to 1975

1965				1966			
RATES				EXEMPTIONS AND DEDUCTIONS			
4.8% on first \$1,000 of taxable income				Same as 1965.			
\$	48 on \$	1,000 plus	6.2% on next \$ 1,000				
110 "	2,000 "	7.5% "	" 1,000				
185 "	3,000 "	8.4% "	" 1,000				
269 "	4,000 "	9.7% "	" 2,000				
463 "	6,000 "	11.4% "	" 2,000				
691 "	8,000 "	13.2% "	" 2,000				
955 "	10,000 "	15.4% "	" 2,000				
1,263 "	12,000 "	17.6% "	" 3,000				
1,791 "	15,000 "	19.8% "	" 10,000				
3,771 "	25,000 "	22.0% "	" 15,000				
7,071 "	40,000 "	24.2% "	" 20,000				
11,911 "	60,000 "	26.4% "	" 30,000				
19,831 "	90,000 "	28.6% "	" 35,000				
29,841 "	125,000 "	30.8% "	" 100,000				
60,641 "	225,000 "	33.0% "	" 175,000				
118,391 "	400,000 "	35.2% "	remainder				
Tax on investment income:							
1/2 of 1% of such income in excess of the greater of \$2,400 or the total of personal exemptions.							
EXEMPTIONS AND DEDUCTIONS							
Single				\$1,000			
Married				2,000			
Dependants:							
Child under 16				300			
Other dependant				550			
Old age (taxpayer 65 years of age or over)				500			
Other deductions:							
Similar to federal income tax deductions in Table I.							
TAX CREDIT							
Credit for dividends received from Canadian corporations equal to 45% of the federal credit.							
1966							
RATES							
5.2% on first \$1,000 of taxable income							
\$	52 on \$	1,000 plus	6.6% on next \$ 1,000				
118 "	2,000 "	8.0% "	" 1,000				
198 "	3,000 "	8.9% "	" 1,000				
287 "	4,000 "	10.3% "	" 2,000				
493 "	6,000 "	12.2% "	" 2,000				
737 "	8,000 "	14.1% "	" 2,000				
1,019 "	10,000 "	16.5% "	" 2,000				
1,349 "	12,000 "	18.8% "	" 3,000				
1,913 "	15,000 "	21.2% "	" 10,000				
4,033 "	25,000 "	23.5% "	" 15,000				
7,558 "	40,000 "	25.9% "	" 20,000				
12,738 "	60,000 "	28.2% "	" 30,000				
21,198 "	90,000 "	30.6% "	" 35,000				
31,908 "	125,000 "	32.9% "	" 100,000				
64,808 "	225,000 "	35.3% "	" 175,000				
126,583 "	400,000 "	37.6% "	remainder				
Tax on investment income:							
1/2 of 1% of the taxpayer's income from investment outside Canada, after deduction of \$2,400 or the total of his personal exemptions whichever is greater, plus allowable charitable donations and medical expenses.							

1966				1967			
				RATES			
				5.5% on first \$1,000 of taxable income			
\$	55 on \$	1,000 plus	7.0% on next \$ 1,000				
125 "	2,000 "	8.5% "	" 1,000				
210 "	3,000 "	9.5% "	" 1,000				
305 "	4,000 "	11.0% "	" 2,000				
525 "	6,000 "	13.5% "	" 2,000				
785 "	8,000 "	15.0% "	" 2,000				
1,085 "	10,000 "	17.5% "	" 2,000				
1,435 "	12,000 "	20.0% "	" 3,000				
2,035 "	15,000 "	22.5% "	" 10,000				
4,285 "	25,000 "	25.0% "	" 15,000				
8,035 "	40,000 "	27.5% "	" 20,000				
13,535 "	60,000 "	30.0% "	" 30,000				
22,535 "	90,000 "	32.5% "	" 35,000				
33,910 "	125,000 "	35.0% "	" 100,000				
68,910 "	225,000 "	37.5% "	" 175,000				
134,535 "	400,000 "	40.0% "	remainder				
Tax on investment income:							
Rate increased to 2%, same base as 1966.							
EXEMPTIONS AND DEDUCTIONS							
The \$300 exemption for a child under 16 is repealed effective July 1, 1967 (this leaves a deduction of \$150 available for the taxation year 1967).							
Low income:							
No tax is payable if income does not exceed \$2,000 if single or \$4,000 if married.							
Other exemptions and deductions:							
Same as 1965.							
TAX CREDIT							
The credit for dividends from Canadian corporations is increased to 50% of the corresponding federal credit.							
1968							
RATES							
Same as 1967 except for the imposition of a 6% surtax on the provincial personal income tax.							
EXEMPTIONS AND DEDUCTIONS							
Same as at July 1, 1967.							
TAX CREDIT							
Same as 1967.							

TABLE II. Personal Income Taxes levied by the Province of Quebec, 1965 to 1975 - Concluded

1969	1972
<p>RATES</p> <p>Same as 1968.</p> <p>EXEMPTIONS AND DEDUCTIONS</p> <p>Same as at July 1, 1967.</p> <p>TAX CREDIT</p> <p>Same as 1967.</p>	<p>Other deductions:</p> <p>Union or professional dues:</p> <p>No restriction.</p> <p>Charitable donations:</p> <p>Up to 10% of income.</p> <p>Medical expenses:</p> <p>Over 3% of income.</p> <p>or</p> <p>Standard deduction of \$100 in lieu of claiming deductions for charitable donations and medical expenses.</p> <p>TAX CREDIT</p> <p>Credit for dividends from Canadian corporations:</p> <p>50% of corresponding federal credit.</p>
1970	1973
<p>RATES</p> <p>Same as 1969 except for the imposition of a health insurance tax, at the rate of 8/10 of 1% of net income (maximum: \$125 if at least 3/4 of net income is salary, or \$200 otherwise), effective November 1, 1970.</p> <p>EXEMPTIONS AND DEDUCTIONS</p> <p>Same as at July 1, 1967.</p> <p>TAX CREDIT</p> <p>Same as 1967.</p>	<p>RATES</p> <p>Same as 1972.</p> <p>EXEMPTIONS</p> <p>Low income:</p> <p>No tax is payable if income does not exceed \$2,500 if single or \$5,000 if married.</p> <p>All other exemptions remain unchanged from 1972.</p> <p>TAX CREDIT</p> <p>Same as 1972.</p>
1971	1974
<p>RATES</p> <p>Same as November 1, 1970.</p> <p>EXEMPTIONS AND DEDUCTIONS</p> <p>Same as at July 1, 1967.</p> <p>TAX CREDIT</p> <p>Same as 1967.</p>	<p>RATES</p> <p>Same as 1972.</p> <p>EXEMPTIONS</p> <p>Interest income \$1,000</p> <p>Old age (taxpayer 65 years of age or over) 1,000</p> <p>Low income:</p> <p>No tax is payable if income does not exceed \$2,600 if single or \$5,200 if married.</p> <p>Single and married taxpayers whose income is between \$2,600 and \$2,850 and \$5,200 and \$5,785 respectively, are to pay taxes no higher than 50% of the difference between their net income and the amount of their exemptions.</p> <p>All other exemptions remain unchanged from 1972.</p> <p>TAX CREDIT</p> <p>Same as 1972.</p>
1972	1975
<p>CHANGES IN THE CONCEPT OF INCOME</p> <p>Income is broadened to include half of capital gains; half of capital losses are deductible from capital gains brought into income. Income is also broadened to include unemployment insurance benefits.</p> <p>RATES</p> <p>0% on first \$2,000 of taxable income</p> <p>\$ 200 on \$ 2,000 plus 11% on next \$ 1,000</p> <p>310 " 3,000 " 12% " " 2,000</p> <p>550 " 5,000 " 14% " " 2,000</p> <p>850 " 7,000 " 16% " " 2,000</p> <p>1,150 " 9,000 " 18% " " 2,000</p> <p>1,510 " 11,000 " 20% " " 3,000</p> <p>2,110 " 14,000 " 22% " " 10,000</p> <p>4,310 " 24,000 " 24% " " 15,000</p> <p>7,910 " 39,000 " 26% " " 21,000</p> <p>13,370 " 60,000 " 28% " remainder</p> <p>Health insurance tax:</p> <p>8/10 of 1% of net income (maximum: \$125 if at least 3/4 of net income is salary, or \$200 otherwise).</p> <p>The tax on investment income and the 6% surtax are cancelled.</p> <p>EXEMPTIONS AND DEDUCTIONS</p> <p>Single \$1,500</p> <p>Married 2,850</p> <p>Child 16 years of age and over dependant on taxpayer 550</p> <p>Old age (taxpayer 65 years of age or over) 650</p> <p>Low income:</p> <p>No tax is payable if income does not exceed \$2,000 if single or \$4,000 if married.</p> <p>Employment expenses:</p> <p>Certain deductions are available for some expenses related to employment, such as the purchase of certain tools and special clothing, moving expenses and child care expenses.</p>	<p>RATES</p> <p>0% on first \$2,000 of taxable income</p> <p>\$ 0 on \$ 2,000 plus 16% on next \$ 7,000</p> <p>1,120 " 9,000 " 18% " " 2,000</p> <p>1,480 " 11,000 " 20% " " 3,000</p> <p>2,080 " 14,000 " 22% " " 10,000</p> <p>4,280 " 24,000 " 24% " " 15,000</p> <p>7,880 " 39,000 " 26% " " 21,000</p> <p>13,340 " 60,000 " 28% " excess</p> <p>EXEMPTIONS</p> <p>Single \$1,600</p> <p>Married 3,500</p> <p>Employment expense 500</p> <p>Interest and dividend income 1,000</p> <p>Low income:</p> <p>The former tax relief provided to single and married taxpayers is abandoned since the new income tax measures exempt from taxation a total income of \$3,931 for a single taxpayer and of \$5,957 for a married taxpayer.</p> <p>All other exemptions remained unchanged from 1972.</p> <p>TAX CREDIT</p> <p>Same as 1972.</p>

TABLE III. Personal Income Taxes levied by the Provinces Other than Quebec, 1965 to 1975

No.	Province	1965	1966	1967	1968	1969
1	Newfoundland	21	24	28	Same as 1967	33
2	Prince Edward Island	21	24	28	Same as 1967	Same as 1967
3	Nova Scotia	21	24	28	Same as 1967	Same as 1967
4	New Brunswick	21	24	28	Same as 1967	38 ³
5	Ontario	21	24	28	Same as 1967	Same as 1967
6	Manitoba	26	29	33	Same as 1967	Same as 1967
7	Saskatchewan	27	29	33	Same as 1967	Same as 1967
8	Alberta	21	24	28	Same as 1967	33 ³
9	British Columbia	21	24	28	Same as 1967	Same as 1967

¹ Effective July 1, 1974.

² Effective July 1, 1971.

³ Effective July 1, 1969.

TABLE IV. Corporation Income Taxes levied by the Federal and Provincial Governments, 1965 to 1975

No.	Government	1965	1966	1967	1968	1969
1	Canada ¹	<p>All income other than dividend income: 18% on first \$35,000 of taxable income. 47% on taxable income in excess of \$35,000. Plus 3% old age security tax on all taxable income.</p> <p>Dividend income. Exempt.</p>	Same as 1965	Same as 1965	Same as 1965 except for imposition of 3% surtax on tax other than old age security tax.	Same as 1968

See footnote(s) at end of table.

TABLE III. Personal Income Taxes levied by the Provinces Other than Quebec, 1965 to 1975

1970	1971	1972	1973	1974	1975	No.
Same as 1969	Same as 1969	36.0	Same as 1972	40.0 ¹	Same as 1974	1
Same as 1967	33 ²	36.0	Same as 1972	Same as 1972	Same as 1972	2
Same as 1967	Same as 1967	38.5	Same as 1972	Same as 1972	Same as 1972	3
Same as April 1, 1969	Same as April 1, 1969	41.5	Same as 1972	Same as 1972	Same as 1972	4
Same as 1967	27.5	29.585	30.5	Same as 1973	Same as 1973	5
39	Same as 1970	42.5	Same as 1972	Same as 1972	Same as 1972	6
34	Same as 1970	37.0	40.0	Same as 1973	Same as 1973	7
Same as July 1, 1969	Same as July 1, 1969	36.0	Same as 1972	Same as 1972	26	8
Same as 1967	Same as 1967	30.5	Same as 1972	Same as 1972	Same as 1972	9

Note: These provinces do not collect their own tax. It is collected on their behalf by the federal government. For years prior to 1971, their imposts are expressed as a percentage of the federal "basic" personal income tax. For 1972, 1973, 1974 and 1975 they are expressed as a percentage of the revised "basic" federal personal income tax.

TABLE IV. Corporation Income Taxes levied by the Federal and Provincial Governments, 1965 to 1975

1970	1971	1972	1973	1974	1975	No.
Same as 1968	Same as 1968 until July 1. Effective July 1, repeal of 3% surtax and reduction of 7% of tax otherwise payable valid till December 1972.	<p>Public corporations:</p> <p>(a) Business income: 25% of taxable income.²</p> <p>(b) Dividend income: exempt unless paid out of the designated surplus of a subsidiary corporation.</p> <p>(c) Other investment income: 50%.²</p> <p>Private corporations:</p> <p>(a) Business income: 25% on the first \$50,000 of taxable income² and 50% on taxable income in excess of \$50,000² of active Canadian-controlled corporations; 50% of taxable income of other private corporations.²</p> <p>(b) Dividend income: usually exempt if received from subsidiary corporations; 33 1/3 if received from other corporations but refunded if dividends are paid to shareholders.</p> <p>(c) Other investment income: 50%;² subject to the provision that half of the tax paid can be refunded as dividends are paid to shareholders.</p>	<p>Public corporations:</p> <p>(a) Business income:</p> <p>(i) 40% of taxable income from manufacturing and processing activities.</p> <p>(ii) 49% of taxable income from other business activities.</p> <p>(b) Dividend income: exempt unless paid out of the designated surplus of a subsidiary corporation.</p> <p>(c) Other investment income: 49%.</p> <p>Private corporations:</p> <p>(a) Business income:</p> <p>(i) 20% on first \$50,000 of taxable income and 40% on taxable income in excess of \$50,000 generated by the manufacturing and processing activities of Canadian-controlled corporations; 40% on taxable income generated by the manufacturing and processing activities of other private corporations.</p> <p>(ii) 25% on the first \$50,000 of taxable income and 49% on taxable income in excess of \$50,000 generated by the other business activities of Canadian-controlled corporations; 49% on taxable income generated by the other business activities of other private corporations.</p> <p>(b) Dividend income: usually exempt if received from subsidiary corporations; 33 1/3% if received from other corporations but the tax is refunded if dividends are paid to shareholders.</p> <p>(c) Other investment income: 49% subject to the provision that half of the tax paid can be refunded if dividends are paid to shareholders.</p>	<p>Public corporations:</p> <p>(a) Business income:</p> <p>(i) 40% of taxable income from manufacturing and processing activities.</p> <p>(ii) 48% of taxable income from other business activities.</p> <p>(b) Dividend income: exempt unless paid out of the designated surplus of a subsidiary corporation.</p> <p>(c) Other investment income: 48%.</p> <p>Private corporations:</p> <p>(a) Business income:</p> <p>(i) 20% on the first \$50,000 of taxable income and 40% on taxable income in excess of \$50,000 generated by the manufacturing and processing activities of Canadian-controlled corporations; 40% on taxable income generated by the manufacturing and processing activities of other private corporations.</p> <p>(ii) 25% on the first \$50,000 of taxable income and 48% on taxable income in excess of \$50,000 generated by the other business activities of Canadian-controlled corporations; 48% on taxable income generated by the other business activities of other private corporations.</p> <p>(b) Dividend income: usually exempt if received from subsidiary corporations 33 1/3% if received from other corporations but the tax is refunded if dividends are paid to shareholders.</p> <p>(c) Other investment income: 48% subject to the provision that half of the tax paid can be refunded if dividends are paid to shareholders.</p>	<p>Public corporations:</p> <p>(a) Business income:</p> <p>(i) 40% of taxable income from manufacturing and processing activities.</p> <p>(ii) 47% of taxable income from other business activities.</p> <p>(b) Dividend income: exempt unless paid out of the designated surplus of a subsidiary corporation.</p> <p>(c) Other investment income: 47%.</p> <p>Private corporations:</p> <p>(a) Business income:</p> <p>(i) 20% on the first \$50,000 of taxable income and 40% on taxable income in excess of \$50,000 generated by the manufacturing and processing activities of Canadian-controlled corporations; 40% on taxable income generated by the manufacturing and processing activities of other private corporations.</p> <p>(ii) 25% on the first \$50,000 of taxable income and 47% on taxable income in excess of \$50,000 generated by the other business activities of Canadian-controlled corporations; 47% on taxable income generated by the other business activities of other private corporations.</p> <p>(b) Dividend income: usually exempt if received from subsidiary corporations 33 1/3% if received from other corporations but the tax is refunded if dividends are paid to shareholders.</p> <p>(c) Other investment income: 47% subject to the provision that half of the tax paid can be refunded if dividends are paid to shareholders.</p>	1

TABLE IV. Corporation Income Taxes levied by the Federal and Provincial Governments, 1965 to 1975 — Concluded

No.	Government	1965	1966	1967	1968	1969
2	Newfoundland	9% on same base as federal income tax	Same as 1965	11%	12%	13%
3	Prince Edward Island	9% on same base as federal income tax	Same as 1965	10%	Same as 1967	Same as 1967
4	Nova Scotia	9% on same base as federal income tax	Same as 1965	10%	Same as 1967	Same as 1967
5	New Brunswick	9% on same base as federal income tax	Same as 1965	10%	Same as 1967	Same as 1967
6	Quebec	12% on base very similar to federal income tax	Same as 1965	Same as 1965	Same as 1965	Same as 1965
7	Ontario	11% on base very similar to federal income tax	Same as 1965	Same as 1965	12%	Same as 1968
8	Manitoba	10% on same base as federal income tax	Same as 1965	11%	Same as 1967	Same as 1967
9	Saskatchewan	10% on same base as federal income tax	Same as 1965	11%	Same as 1967	Same as 1967
10	Alberta	9% on same base as federal income tax	Same as 1965	10%	Same as 1967	11%
11	British Columbia	9% on same base as federal income tax	Same as 1965	10%	Same as 1967	Same as 1967

¹ Under the Federal-Provincial Fiscal Arrangements, the federal corporations income tax was, until 1967, abated by an amount equal to 9% of corporation taxable income in all provinces other than Quebec and by an amount equal to 10% of corporation taxable income in Quebec. In 1967, the abatement became a uniform 10% of corporation taxable income in all provinces.

² The 7% reduction of tax otherwise payable was still valid, thus bringing the effective rate at 46.5% and 23.25%.

TABLE V. General Sales Taxes levied by the Federal and Provincial Governments, 1965 to 1975

No.		1965	1966	1967	1968	1969
	RATES					
	1. Federal sales tax (imposed on manufacturer's selling price of domestic products and duty paid value of imported goods):					
1	(a) General rate	8%	} Same as 1965	9%	{ Same as 1967	Same as 1967
2	(b) Old age security tax	3%		3%		
3	(c) Combined rate (a) + (b)	11%		12%		
	(d) Special rates:					
4	(i) Most building materials	8%	1	11% effective January 1	Same as 1967	Same as 1967
5	(ii) Production machinery	8%	1	11% to March 31, 6% from April 1 to June 2 exempt effective June 2	2	2
6	(iii) Dies, jigs, fixtures and moulds and patterns therefor and tooling for production machinery	8%	Exempt effective March 30	2	2	2

See footnote(s) at end of table.

TABLE IV. Corporation Income Taxes levied by the Federal and Provincial Governments, 1965 to 1975 -- Concluded

1970	1971	1972	1973	1974	1975	No.
Same as 1969	Same as 1969	Same as 1969	Same as 1969	Same as 1969	Same as 1969	2
Same as 1967	Same as 1967	Same as 1967	Same as 1967	Same as 1967	Same as 1967	3
Same as 1967	Same as 1967	Same as 1967	Same as 1967	Same as 1967	Same as 1967	4
Same as 1967	Same as 1967	Same as 1967	Same as 1967	Same as 1967	Same as 1967	5
Same as 1965	Same as 1965 ³	Same as 1965	Same as 1965	Same as 1965	Same as 1965	6
Same as 1968	Same as 1968 ⁴	Same as 1968	Same as 1968	Same as 1968 ⁵	Same as 1968	7
12%	Same as 1970	Same as 1970	Same as 1970	Same as 1970	Same as 1970	8
Same as 1967	Same as 1967	Same as 1967	12%	Same as 1973	Same as 1973	9
Same as 1969	Same as 1969	Same as 1969	Same as 1969	Same as 1969	Same as 1969	10
Same as 1967	Same as 1967	Same as 1967	12%	Same as 1973	13%	11

³ Corporations investing during the period April 1, 1971, to March 31, 1977, more than \$150,000 of their profits in designated areas in new technological processes or in the production of goods not yet produced in Quebec can benefit from tax credits ranging from 30% to 100% of the amounts invested.

⁴ Credit granted against corporations income tax, equal to 5% of eligible investment in machinery and equipment purchased and used in Ontario during the period April 26, 1971, and March 31, 1973. Deduction from income of the interest paid on money borrowed to purchase shares in other corporations during corporation fiscal years ended after April 26, 1971.

⁵ Credit granted to privately controlled Canadian corporations which qualify for the federal small business deduction equal to 5% of the annual increase in paid-up capital or 50% of taxable income up to a maximum of \$3,000 whichever is the lesser effective April 9.

TABLE V. General Sales Taxes levied by the Federal and Provincial Governments, 1965 to 1975

1970	1971	1972	1973	1974	1975	No.
Same as 1967	Same as 1967	$\left\{ \begin{array}{l} 12\% \\ - \\ 12\% \end{array} \right\}$ Effective January 1	$\left\{ \begin{array}{l} \text{Same as 1972} \end{array} \right\}$	Same as 1972	Same as 1972	1
						2
						3
Same as 1967	Same as 1967	Same as 1967	Same as 1967	Same as 1967	Same as 1967	4
2	2	2	2	2	2	5
						6
2	2	2	2	2	2	

TABLE V. General Sales Taxes levied by the Federal and Provincial Governments, 1965 to 1975 - Concluded

No.		1965	1966	1967	1968	1969	1970
2.	Provincial sales taxes (imposed on retail price):						
7	(1) Newfoundland	5%	Same as 1965	6% (effective April 1)	7% (effective April 1)	Same as April 1, 1968	Same as April 1, 1968
8	(2) Prince Edward Island	5%	Same as April 23, 1965	Same as April 23, 1965	Same as April 23, 1965	7% (effective April 15)	Same as April 15, 1969
9	(3) Nova Scotia	5%	Same as 1965	Same as 1965	Same as 1965	7% (effective April 4)	Same as April 4, 1969
10	(4) New Brunswick	3%	Same as 1965	6% (effective January 1)	Same as January 1, 1967	8% (effective April 1)	Same as April 1, 1969
11	(5) Quebec	6%	Same as 1965	8% (effective March 17)	Same as March 17, 1967	Same as March 17, 1967	Same as March 17, 1967
12	(6) Ontario:						
	(a) General	3%	5% (effective April 1)	Same as April 1, 1966	Same as April 1, 1966	Same as April 1, 1966	Same as April 1, 1966
13	(b) Meals and alcoholic beverages . . .	3%	5% (effective April 1)	Same as April 1, 1966	Same as April 1, 1966	10% (effective April 1)	Same as April 1, 1969
	(7) Manitoba:						
14	(a) General			5% (effective June 1)	Same as June 1, 1967	Same as June 1, 1967	Same as June 1, 1967
15	(b) Spirits, wines and imported beer			5% (effective June 1)	Same as June 1, 1967	Same as June 1, 1967	Same as June 1, 1967
16	(8) Saskatchewan	4% (effective February 20) ³	Same as February 20, 1965	Same as February 20, 1965	5% (effective March 2)	Same as March 2, 1968	Same as March 2, 1968
17	(9) British Columbia	5%	Same as 1965	Same as 1965	Same as 1965	Same as 1965	Same as 1965
	CHANGES IN EXEMPTIONS						
18	(Unless otherwise specified, the following are new exemptions.)	<p>Prince Edward Island: Soft drinks.</p> <p>Quebec: Exemption for meals under \$1 raised to meals under \$1.25.</p> <p>Saskatchewan: Insecticides.</p>	<p>British Columbia: Candy; soft drinks; all meals; newspapers sold over the counter and by subscription; classroom supplies.</p>	<p>Federal sales tax: Drugs and medicines; some orthopaedic appliances; production machinery.</p> <p>Manitoba: Introduction of general sales tax.</p>	<p>Saskatchewan: Former exemption for all meals restricted to meals under \$2.</p>	<p>Ontario: Meals under \$2.51. Repeal of exemption for industrial machinery.</p>	<p>Saskatchewan: Electricity used for heating. Repeal of exemption for meals under \$3. Repeal of exemption for railway stock, ties and rails.</p>
19	TAX ON SERVICES	<p>Quebec: Hotel and motel accommodations; long distance telephone calls; telecommunications.</p>	<p>Ontario: Telephone services and telecommunications.</p>	<p>Manitoba: Hotel and motel accommodations; telephone services over 45¢; telecommunications; repairs; laundry and drycleaning; printing, photography, microfilming, etc.</p>	<p>New Brunswick: Hotel and motel accommodations; telecommunications.</p> <p>Saskatchewan: Hotel and motel accommodations; telephone services; telecommunications.</p>	<p>Newfoundland: Hotel and motel accommodations; telephone services; telecommunications; repairs; laundry and drycleaning.</p> <p>New Brunswick: Laundry and drycleaning.</p> <p>Ontario: Hotel and motel accommodations.</p>	

¹ Subject to federal sales tax at full rates.
² Exempt from federal sales tax.

TABLE V. General Sales Taxes levied by the Federal and Provincial Governments, 1965 to 1975 - Concluded

1971	1972	1973	1974	1975	No.
Same as April 1, 1968	Same as April 1, 1968	Same as April 1, 1968	8% (effective April 10)	Same as April 10, 1974	7
8% (effective March 19)	Same as March 19, 1971	Same as March 19, 1971	Same as March 19, 1971	Same as March 19, 1971	8
Same as April 4, 1969	Same as April 4, 1969	Same as April 4, 1969	Same as April 4, 1969	Same as April 4, 1969	9
Same as April 1, 1969	Same as April 1, 1969	Same as April 1, 1969	Same as April 1, 1969	Same as April 1, 1969	10
Same as March 17, 1967	Same as March 17, 1967	Same as March 17, 1967	Same as March 17, 1967	Same as March 17, 1967	11
Same as April 1, 1966	Same as April 1, 1966	7% (effective May 1)	Same as May 1, 1973	5% (effective April 8, 1975)	12
Same as April 1, 1969	Same as April 1, 1969	Same as April 1, 1969	Same as April 1, 1969	Same as April 1, 1969	13
Same as June 1, 1967	Same as June 1, 1967	Same as June 1, 1967	Same as June 1, 1967	Same as June 1, 1967	14
Same as June 1, 1967	10% (effective June 1)	Same as June 1, 1972	Same as June 1, 1972	Same as June 1, 1972	15
Same as March 2, 1968	Same as March 2, 1968	Same as March 2, 1968	Same as March 2, 1968	Same as March 2, 1968	16
Same as 1965	Same as 1965	Same as 1965	Same as 1965	Same as 1965	17
Prince Edward Island: Railway rolling stock; commercial vessels.	Newfoundland: Children's clothing. Quebec: Industrial production equipment.	Federal sales tax: Confectioneries, chocolate bars, soft drinks, fruit drinks and similar near food products; children's clothing, shoes and other footwear. Nova Scotia: Larger sizes of children's clothing and footwear; all merchandise, except automotive equipment and parts, sold to Indians on reservations for their own use.	Federal sales tax: Clothing and footwear. Newfoundland: Domestic fuel and heating oil. Prince Edward Island: Goods and materials used in making clothing; soap and cleaning supplies, and articles traded in against purchases. Small sale exemption raised from 11¢ to 16¢. Prepared meals of less than \$2.01 exempted. Refund of sales tax to newlyweds for up to \$1,000 purchases of furniture and other household supplies within the first year of marriage. Books and other printed material of informational or literary value.	Federal sales tax: Insulation material. Prince Edward Island: Small sales exemption raised from 16¢ to 26¢. Nova Scotia: Anti-pollution equipment and devices purchased by manufacturers, producers and processors or other designated persons.	18
New Brunswick: Building materials.	Ontario: Repeal of exemption for draught beer, which becomes taxable as in (b). Manitoba: Safety clothing. Increase of rate from 5% to 10% on spirits, wines and imported beer. Repeal of exemptions for production machinery and vessels over 200 tons gross. Saskatchewan: Meals under \$2.51.	Quebec: Exemption for meals under \$1.25 raised to \$1.50. Small sale exemption raised from 10¢ to 15¢. Ontario: Exemption for meals increased from \$2.50 to \$4. Seeds, bulbs, natural flowers, etc.; household pets.	New Brunswick: Clothing and footwear, microfilm purchases by libraries (containing information equivalent to a book ordinarily exempted), and purchases made by Status Indians off the reservation for delivery on the reservation. Prepared meals of less than \$2.01 exempted. Ontario: Personal hygiene items, e.g., toothpaste, baby powder, soap, detergents, etc., and footwear of \$30 or less. Manitoba: Exemption for prepared meals raised to \$2.99 from \$1.99. Purchases (except motor cars) made by Status Indians. British Columbia: Books and second-hand clothing.	New Brunswick: Laundry and drycleaning services. Quebec: Exemption for meals under \$1.49 raised to \$2. Small purchases exemption increased from 15¢ to 25¢. Industrial machinery exemption extended to March 31, 1977. Ontario: Machinery and equipment for production and/or construction purposes exempt to December 31, 1977. Saskatchewan: Restaurant meals; books and other reading materials.	19
British Columbia: Hotel and motel accommodations.	Nova Scotia: Hotel and motel accommodations.				

3 Exempt for motor and spirit vehicles registered in 1965.

TABLE VI. Taxes on Motive Fuels and Tobacco Products levied by the Provincial Governments, 1965 to 1975

No.	Province	1965	1966	1967	1968	1969
Newfoundland:						
1	Motive fuel	19¢ per gallon	Same as 1965	20¢ per gallon (effective April 1)	25¢ per gallon (effective April 1)	Same as April 1, 1968
2	Cigarettes	1/4 of 1¢ each	} Same as 1965	Same as 1965	1/2 of 1¢ each	} Same as April 1, 1968
3	Cigars	1¢ to 5¢ each			2¢ to 10¢ each	
4	Tobacco	1¢ per 1/2 oz. unit			2¢ per 1/2 oz. unit (effective April 1)	
Prince Edward Island:						
5	Gasoline	18¢ per gallon	Same as 1965	Same as 1965	21¢ per gallon (effective March 20)	Same as March 20, 1968
6	Diesel fuel	18¢ per gallon	Same as 1965	Same as 1965	21¢ per gallon (effective March 20)	Same as March 20, 1968
7	Cigarettes	1/5 of 1¢ each	} Same as 1965	Same as 1965	2/5 of 1¢ each	} Same as March 20, 1968
8	Cigars	1¢ to 3¢ each			20%	
9	Other tobacco	10%			20% (effective March 20)	
Nova Scotia:						
10	Gasoline	19¢ per gallon	Same as 1965	Same as 1965	Same as 1965	21¢ per gallon (effective April 4)
11	Diesel fuel	27¢ per gallon	Same as 1965	Same as 1965	Same as 1965	Same as 1965
12	Aviation fuel	Nil	Nil	Nil	Nil	Nil
13	Cigarettes	1/10 of 1¢ each	} Same as 1965	Same as 1965	Same as 1965	4/10 of 1¢ each (effective April 4)
14	Other tobacco products	5%				
New Brunswick:						
15	Gasoline	18¢ per gallon	Same as 1965	Same as 1965	19¢ per gallon (effective April 1)	20¢ per gallon (effective April 1)
16	Diesel fuel	23¢ per gallon	Same as 1965	Same as 1965	Same as 1965	Same as 1965
17	Aviation fuel	Nil	Nil	Nil	Nil	Nil
18	Cigarettes	1/5 of 1¢ each	} Same as 1965	Same as 1965	Same as 1965	} 2/5 of 1¢ each 1¢ for each 5¢ 4¢ per oz. (effective April 1)
19	Cigars	1¢ to 3¢ each				
20	Other tobacco products	10%				
Quebec:						
21	Gasoline	16¢ per gallon	} Same as April 8, 1965	Same as April 8, 1965	19¢ per gallon	} Same as March 28, 1968
22	Diesel fuel	22¢ per gallon (effective April 8)			25¢ per gallon	
23	Aviation fuel	Nil			3¢ per gallon (effective March 28)	
24	Cigarettes	6/25 of 1¢ each	} Same as April 8, 1965	Same as April 8, 1965	2/5 of 1¢ each	} Same as March 28, 1968
25	Cigars	12% (when over 5¢)			20% (when over 10¢)	
26	Manufactured tobacco	12% (effective April 8)			20% (effective March 28)	
Ontario:						
27	Motive fuel	15¢ per gallon	16¢ per gallon	} Same as April 1, 1966	18¢ per gallon	} Same as March 13, 1968
28	Diesel fuel	2 1/2¢ per gallon	22¢ per gallon (effective April 1)		24¢ per gallon	
29	Aviation fuel	Nil	Nil		3¢ per gallon (effective March 13)	
30	Cigarettes	Nil	1/20 of 1¢ each to April 1; 1/10 of 1¢ from April 1	} Same as April 1, 1966	3/10 of 1¢ each	2/5 of 1¢ each
31	Cigars	Nil	1/5 of 1¢ per 5¢		1/2 of 1¢ per 5¢	1/2 of 1¢ per 5¢
32	Tobacco	Nil	1¢ per oz. to April 1; 1¢-2¢ per oz. from April 1		2 1/2¢ per oz. (effective March 13)	2 1/2¢ per oz. (effective March 5)

Note: The taxes on motive fuels do not apply in all instances. Generally speaking all provinces provide either complete or partial exemptions for motive fuels used in farming operations. Similarly, several provinces provide either complete or partial exemptions for motive fuels used in commercial fisheries. See Table 5 B "Other Consumption" for a description of these exemptions.

TABLE VI. Taxes on Motive Fuels and Tobacco Products levied by the Provincial Governments, 1965 to 1975

1970	1971	1972	1973	1974	1975	No.
Same as April 1, 1968	Same as April 1, 1968	Same as April 1, 1968	Same as April 1, 1968	Same as April 1, 1968	Same as April 1, 1968	1
Same as April 1, 1968	Same as April 1, 1968	1¢ each	Same as June 1, 1972	Same as June 1, 1972	Same as June 1, 1972	2
		4¢ to 20¢ each			2¢ to 20¢ each	3
		4¢ per 1/2 oz. unit (effective June 1)			Same as June 1, 1972	4
Same as March 20, 1968	Same as March 20, 1968	Same as March 20, 1968	Same as March 20, 1968	Same as March 20, 1968	Same as March 20, 1968	5
Same as March 20, 1968	Same as March 20, 1968	25¢ per gallon (effective April 1972)	Same as April 19, 1972	Same as April 19, 1972	Same as April 19, 1972	6
Same as March 20, 1968	Same as March 20, 1968	Same as March 20, 1968	Same as March 20, 1968	Same as March 20, 1968	4/5 of 1¢ each (effective May 13, 1975)	7
					Same as March 20, 1968	8
					3¢ per 1/2 oz. unit (effective May 13, 1975)	9
Same as April 4, 1969	Same as April 4, 1969	Same as April 4, 1969	Same as April 4, 1969	Same as April 4, 1969	Same as April 4, 1969	10
Same as 1965	Same as 1965	Same as 1965	Same as 1965	Same as 1965	Same as 1965	11
Nil	3¢ per gallon (effective August 1)	Same as August 1, 1971	Same as August 1, 1971	Same as August 1, 1971	Same as August 1, 1971	12
Same as April 4, 1969	Same as April 4, 1969	Same as April 4, 1969	Same as April 4, 1969	Same as April 4, 1969	Same as April 4, 1969	13
						14
Same as April 1, 1969	Same as April 1, 1969	Same as April 1, 1969	Same as April 1, 1969	Same as April 1, 1969	Same as April 1, 1969	15
Same as 1965	Same as 1965	Same as 1965	Same as 1965	Same as 1965	Same as 1965	16
Nil	3¢ per gallon (effective May 15)	Same as May 15, 1971	Same as May 15, 1971	Same as May 15, 1971	Same as May 15, 1971	17
Same as April 1, 1969	Same as April 1, 1969	Same as April 1, 1969	Same as April 1, 1969	Same as April 1, 1969	Same as April 1, 1969	18
						19
						20
Same as March 28, 1968	Same as March 28, 1968	Same as March 28, 1968	Same as March 28, 1968	Same as March 28, 1968	Same as March 28, 1968	21
						22
						23
Same as March 28, 1968	Same as March 28, 1968	Same as March 28, 1968	Same as March 28, 1968	Same as March 28, 1968	Same as March 28, 1968	24
						25
						26
Same as March 13, 1968	Same as March 13, 1968	19¢ per gallon	Same as March 29, 1972	Same as March 29, 1972	Same as March 29, 1972	27
		25¢ per gallon (effective March 29)				28
		3¢ per gallon	Same as March 13, 1968	Same as March 13, 1968	Same as March 13, 1968	29
Same as March 2, 1969	Same as March 5, 1969	0.46 of 1¢ each	Same as March 29, 1972	Same as March 29, 1972	Same as March 29, 1972	30
		1¢ per 5¢				31
		2 1/2¢ per 1/2 oz. (effective March 29)				32

TABLE VI. Taxes on Motive Fuels and Tobacco Products levied by the Provincial Governments, 1965 to 1975 - Concluded

No.	Province	1965	1966	1967	1968	1969
Manitoba:						
1	Gasoline	17¢ per gallon	} Same as 1965	Same as 1965	Same as 1965	Same as 1965
2	Motive fuel	20¢ per gallon				
3	Aviation fuel	2¢ per gallon				
4	Cigarettes	2/5 of 1¢ each	} Same as 1965	Same as 1965	Same as 1965	Same as 1965
5	Cigars	1¢ to 10¢ each				
6	Manufactured tobacco . . .	2¢ per 1/2 oz.				
Saskatchewan:						
7	Gasoline	14¢ per gallon	15¢ per gallon	} Same as March 15, 1966	{ 17¢ per gallon 20¢ per gallon (effective March 1)	} Same as March 1, 1968
8	Diesel fuel	17¢ per gallon	18¢ per gallon (effective March 15)			
9	Aviation fuel	Nil	Nil			
10	Cigarettes	1/5 of 1¢ each	} Same as April 1, 1965	{ 1/5 of 1¢ each 1¢ to 5¢ each 1¢ per 1/2 oz.	{ 8/25 of 1¢ and 9/25 of 1¢ each 1¢ to 10¢ each 2¢ per 1/2 oz. (effective March 1)	} Same as March 1, 1968
11	Cigars	1¢ to 5¢ each				
12	Manufactured tobacco . . .	1¢ per oz. (effective April 1)				
Alberta:						
13	Gasoline	12¢ per gallon	} Same as 1965	Same as 1965	{ 15¢ per gallon 17¢ per gallon 3¢ per gallon (effective June 1)	} Same as June 1, 1968
14	Diesel fuel	14¢ per gallon				
15	Aviation fuel	Nil	Nil	Nil		
16	Cigarettes	Nil	Nil	Nil	Nil	8¢ 25 of 1¢ each
17	Cigars	Nil	Nil	Nil	Nil	1¢ to 9¢ each
18	Tobacco	Nil	Nil	Nil	Nil	64¢ per lb. (effective June 30)
British Columbia:						
19	Gasoline	13¢ per gallon	} Same as 1965	Same as 1965	Same as 1965	Same as 1965
20	Motive fuel	15¢ per gallon				
21	Aviation fuel	1¢ per gallon				
22	Cigarettes	Nil	Nil	Nil	Nil	Nil
23	Cigars	Nil	Nil	Nil	Nil	Nil
24	Other tobacco products . .	Nil	Nil	Nil	Nil	Nil
Yukon:						
25	Gasoline	9¢ per gallon	} Same as 1965	Same as 1965	11¢ per gallon (effective January 23)	Same as January 23, 1968
26	Diesel fuel	9¢ per gallon				
27	Aviation fuel	Nil	Nil	Nil	Nil	Nil
Northwest Territories:						
28	Cigarettes	Nil	Nil	Nil	Nil	Nil
29	Cigars	Nil	Nil	Nil	Nil	Nil
30	Gasoline	7 1/2¢ per gallon	9¢ per gallon	10¢ per gallon	11¢ per gallon (effective April 1)	12¢ per gallon
31	Diesel fuel	3 1/2¢ per gallon (effective April 1)	4¢ per gallon (effective April 1)	6¢ per gallon (effective April 1)	8¢ per gallon (effective April 1)	10¢ per gallon (effective April 1)
32	Aviation fuel	1 1/2¢ per gallon	Same as 1965	Same as 1965	Same as 1965	Same as 1965

TABLE VI. Taxes on Motive Fuels and Tobacco Products levied by the Provincial Governments, 1965 to 1975 — Concluded

1970	1971	1972	1973	1974	1975	No.
Same as 1965	Same as 1965	Same as 1965	Same as 1965	15¢	18¢	1
				18¢	21¢	2
				Same as 1965	3¢ (effective May 19)	3
Same as 1965	Same as 1965	3/5 of 1¢ each	Same as May 1, 1972	Same as May 1, 1972	Same as May 1, 1972	4
		1¢ to 15¢ each				5
		3¢ per 1/2 oz. (effective May 1)				6
12¢ per gallon	Same as March 3, 1970	Same as March 3, 1970	Same as March 3, 1970	12¢ per gallon	Same as 1974	7
21¢ per gallon				16¢ per gallon		8
4¢ per gallon (effective March 3)				Same as March 3, 1970	Same as March 3, 1970	9
Same as March 1, 1968	Same as March 1, 1968	Same as March 1, 1968	9/25 of 1¢ each, February 9, 1973	Same as February 9, 1973	Same as February 9, 1973	10
			1¢ to 4¢ each (effective February 9)			11
			Same as March 1, 1968	Same as March 1, 1968	Same as March 1, 1968	12
Same as June 1, 1968	Same as June 1, 1968	Same as June 1, 1968	Same as June 1, 1968	10¢ per gallon	Same as 1974	13
				12¢ per gallon		14
				Same as June 1, 1968	Same as June 1, 1968	15
Same as June 30, 1969	Same as June 30, 1969	Same as June 30, 1969	Same as June 30, 1969	Same as June 30, 1969	Same as June 30, 1969	16
						17
						18
Same as 1965	15¢ per gallon	Same as February 5, 1971	Same as February 5, 1971	Same as February 5, 1971	17¢	19
	17¢ per gallon				19¢	20
	3¢ per gallon (effective February 5)				Same as February 5, 1971	21
Nil	8/25 of 1¢ each	Same as February 5, 1971	Same as February 5, 1971	Same as February 5, 1971	Same as February 5, 1971	22
Nil	1¢ to 9¢ each					23
Nil	2¢ per 1/2 oz. (effective February 5)					24
Same as January 23, 1968	14¢ per gallon (effective April 1)	Same as 1971	Same as 1971	Same as 1971	Same as 1971	25
			16¢ per gallon (effective April 1)	Same as April 1, 1973	Same as April 1, 1973	26
	2¢ per gallon (effective April 1)		Same as April 1, 1971	Same as April 1, 1971	Same as April 1, 1971	27
Nil	Nil	Nil	Nil	8/25 of 1¢ each	Same as April 1, 1974	28
Nil	Nil	Nil	Nil	1¢ to 9¢ each (effective April 1)		29
Same as 1969	14¢ per gallon (effective April 1)	Same as April 1, 1971	Same as April 1, 1971	Same as April 1, 1971	Same as April 1, 1971	30
12¢ per gallon (effective April 1)	15¢ per gallon (effective April 1)					31
Same as 1965	2 1/2¢ per gallon (effective April 1)					32

TABLE VII. Federal Taxes on Alcoholic Beverages and Tobacco Products, 1965 to 1975

	1965 to 1966 inclusive	1967	1968 to 1973 inclusive	1974	1975
1. Beer	Excise duty of 38¢ per gallon.	Increased to 42¢ effective December 1	Same as December 1, 1967	Same as December 1, 1967	Same as December 1, 1967
2. Spirituous beverages other than Canadian brandy	Excise duty of \$13 per proof gallon.	Increased to \$14.25 effective December 1	Same as December 1, 1967	Increased to \$16.25 effective November 18	Same as November 18, 1974
3. Canadian brandy	Excise duty of \$11 per proof gallon.	Increased to \$12.25 effective December 1	Same as December 1, 1967	Increased to \$14.25 effective November 18	Same as November 18, 1974
4. Spirits sold to druggists and used in the preparation of prescriptions	Excise duty of \$1.50 per proof gallon.	Same as 1965	Same as 1965	Same as 1965	Same as 1965
5. Imported spirits taken into bonded manufactory	Excise duty of 30¢ per proof gallon (in addition to other duties).	Same as 1965	Same as 1965	Same as 1965	Same as 1965
6. Wines:					
(a) Containing 7% or less of absolute alcohol by volume	Excise tax of 25¢ per gallon.	Increased to 27 1/2¢ effective December 1	Same as December 1, 1967	Same as December 1, 1967	Same as December 1, 1967
(b) Non-sparkling and containing more than 7% of absolute alcohol by volume but not over 40% of proof spirit	Excise tax of 50¢ per gallon.	Increased to 55¢ effective December 1	Same as December 1, 1967	Increased to 95¢ effective November 18	Decreased to 55¢ effective June 23
(c) Champagne and other sparkling wines	Excise tax of \$2.50 per gallon.	Increased to \$2.55 effective December 1	Same as December 1, 1967	Increased to \$2.95 effective November 18	Same as November 18, 1974
7. Cigarettes	Excise tax of 2 1/2¢ per 5 cigarettes plus excise duty of \$4 per 1,000 cigarettes weighing less than 3 lbs. per 1,000 or \$5 per 1,000 cigarettes weighing more than 3 lbs. per 1,000.	Increase of excise tax to 3¢ per 5 cigarettes effective December 1	Same as December 1, 1967	Increase of excise duty to \$5 per 1,000 cigarettes weighing less than 3 lbs. per 1,000 or \$6 per 1,000 cigarettes weighing more than 3 lbs. per 1,000 effective November 18	Same as November 18, 1974
8. Cigars	Excise tax of 15% plus excise duty of \$2 per 1,000 cigars.	Increase of excise tax to 17 1/2% effective December 1	Same as December 1, 1967	Increase of excise tax to 20 1/2% effective November 18	Same as November 18, 1974
9. Manufactured tobacco	Excise tax of 80¢ per lb. plus excise duty of 35¢ per lb.	Increase of excise tax to 90¢ per lb. effective December 1	Same as December 1, 1967	Increase of excise duty to 50¢ per lb. effective November 18	Same as November 18, 1974
10. Canadian raw leaf tobacco	Excise duty of 10¢ per lb.	Same as 1965	Same as 1965	Same as 1965	Same as 1965

Notes: 1. All goods subject to federal excise tax and/or duty are also subject to the federal manufacturers' sales tax; however, while the manufacturers' sales tax is applicable to excise duty, it is not levied on excise tax.

2. Excise duties and certain excise taxes do not apply to imported commodities; the customs duty rates applicable to imported products are set, however, to take account of these excises.

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