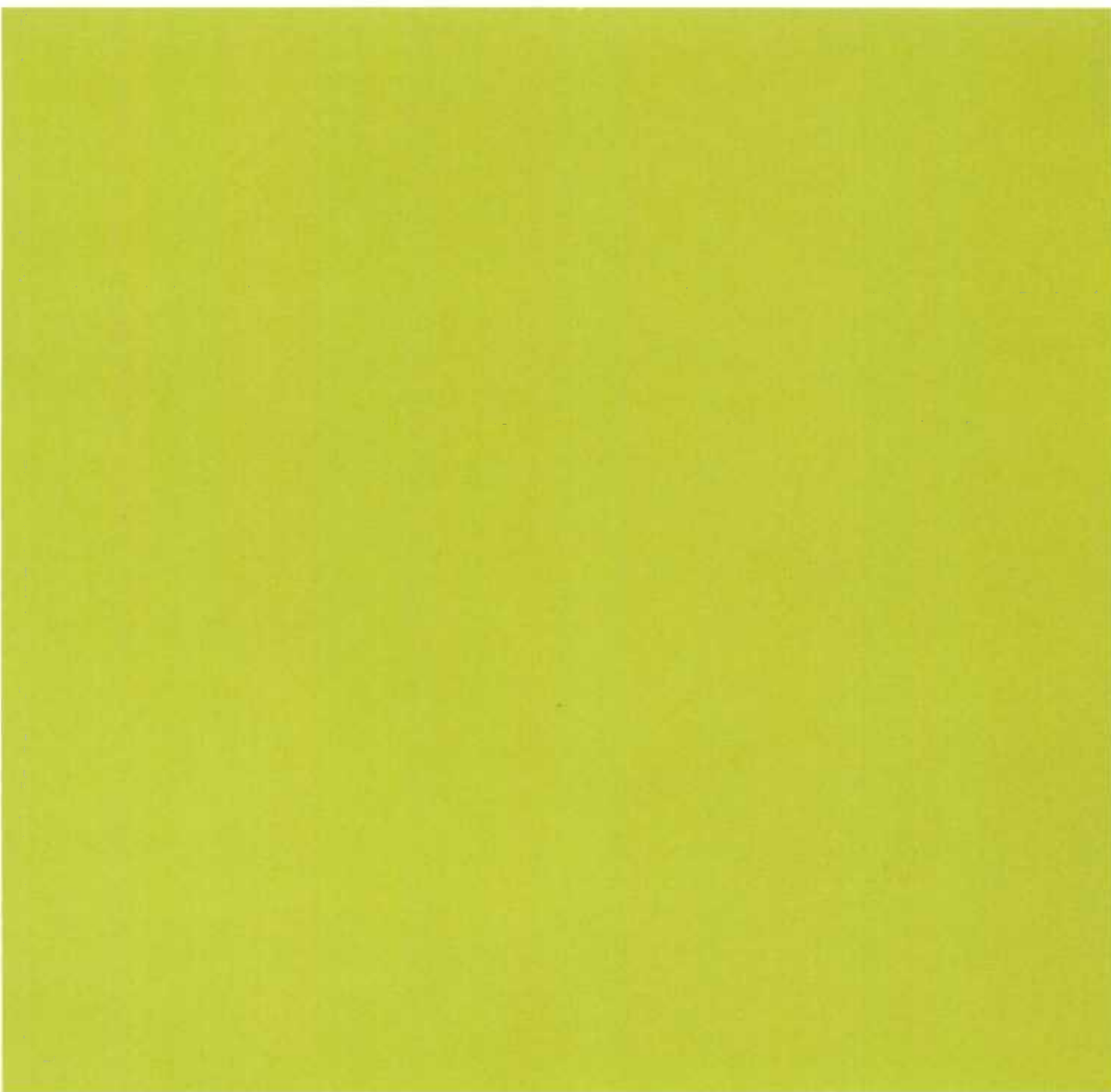
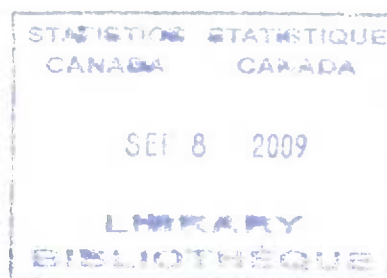


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Principal taxes in Canada

1976



STATISTICS CANADA

Public Finance Division

PRINCIPAL TAXES IN CANADA

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INTRODUCTION

The Public Finance Division of Statistics Canada releases annually a summary of the principal taxes levied in Canada. While in earlier issues these taxes were arranged by type, they are now presented under the unit of government which levies them, i.e., federal, provincial and municipal. The main divisions of the publication are as follows:

General Commentary.

Part I. Taxes levied by the Federal Government.

Part II. Taxes levied by Provincial Governments.

“ III. Taxes levied by Municipal Governments.

“ IV. Historical Tables of the Most Important Taxes.

The principal levies in force as at and changes proposed prior to July 1, 1976, whether or not implemented at that date, are taken into account herein.

GENERAL COMMENTARY

For a clearer understanding of the nature of the principal taxes in force in Canada, it is useful to have some general knowledge of the sociopolitical context in which they are levied. To this end, the Canadian government structure and the main fiscal legislation presently governing the relations among units of government are briefly described below.

Government Structure

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 specify the distribution of taxing powers and responsibilities between the federal parliament and the provincial legislatures. Under Section 91, the federal parliament is given unlimited taxing powers while, under Section 92, the provincial legislatures are granted the power of “direct taxation within the Province in order to the raising of a revenue for provincial purposes”. In addition, the BNA Act empowers the provinces to establish municipal institutions within their own territory. Thus, the latter derive their powers and their fiscal and financial responsibilities from the provincial legislature which created them.

In the mid-nineteenth century, the definition of direct taxes formulated by J.S. Mill:¹ “A direct tax is one which is demanded from the very person who it is intended or desired should pay it”, was the guiding principle. According to this definition, most major levies in Canada are direct taxes, i.e., personal and corporation income taxes, succession duties and a variety of provincial sales taxes which are paid by the ultimate purchaser or user of taxed goods and services. The field of indirect taxation, occupied solely by the federal government,

includes customs duties, excise levies, export charges on certain products and sales taxes levied on manufacturers.

Direct taxation in the form of income tax was employed in several municipalities even before the formation of the federation. This form of taxation was adopted by British Columbia in 1876 and by Prince Edward Island in 1894. However, it was not until 1917, during the First World War, that the federal government entered the income tax field. During the 1930's, provinces began to levy a tax on income and by 1940 all provinces were taxing the income of corporations and seven were taxing the income of individuals.

Among the other direct taxes, succession duties are the oldest; Ontario and Quebec started to levy such duties in 1892. The other provinces soon followed by adopting succession duties legislation modeled on the Ontario Act. The federal government entered this field of taxation in 1941 with the adoption of the **Estate Tax Act**. This tax, however, applied to the total value of an estate not to the part received by each heir as was the case of the provincial legislation. The **Estate Tax Act** was repealed in 1971.

Main Legislation Governing Federal-Provincial Relations

The federal-provincial arrangements, as they are now known, originated at the end of the Second World War, i.e., about 1946, when most provinces wanted to re-enter the direct taxation field which they had surrendered to the federal government at the beginning of the war. Several federal-provincial conferences were held at that time in order to devise the structure of the relations – fiscal and financial – that should prevail between the two levels of government. The first agreements in this respect were implemented for the years 1947 to 1952, pursuant to the **Dominion-Provincial Tax Rental Agreements Act**. Ontario and Quebec did not sign such tax rental agreements. These provinces continued to levy succession duties and resorted again to

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

corporation income tax at a rate of 7%; they did not enter the personal income tax field.

The 1947 agreements started the series of quinquennial federal-provincial arrangements, each one modifying and broadening the terms and content of the immediately preceding one. For instance, with the adoption in 1957 of the tax sharing arrangements in place of the tax rental agreements in force since 1947, the federal government initiated the income tax abatement system in favour of the provinces. The 1957 formula, however, was modified by the 1962 agreements. Under this modification, the provinces could establish the rates of their own income tax. Further, the federal government offered to collect, together with its own income tax, any income tax that provinces levied. Thus started the system of Tax Collection Agreements.

In addition to fiscal matters, recent quinquennial arrangements dealt with fields of public interest in which a joint federal-provincial action was considered desirable. The main Acts governing existing arrangements are described below in the following order:

- the Federal-Provincial Fiscal Arrangements Act, 1972,
- the Established Programs (Interim Arrangements) Act, 1964 - 65,
- the Federal-Provincial Fiscal Revision Act, 1964.

Federal-Provincial Fiscal Arrangement Act, 1972

This Act, assented to March 29, 1972, comprises seven parts which are successively examined, with the exception of Part VII which pertains to administrative matters.

I - 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 its 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 the province's tax base. Thus, equalization payments are intended to ensure that all citizens are provided with fairly comparable standards of public services throughout the country.

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

To determine the amount of equalization to which a province 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 provinces have received equalization payments: Newfoundland, Prince Edward Island, Nova Scotia, New Brunswick, Quebec, Manitoba and Saskatchewan.

II - 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.

III - Tax Collection Agreements

Pursuant to the **Federal-Provincial Fiscal Arrangements Act, 1962**, the federal government undertook to collect for the provinces, together with its own income tax, provincial 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.

The federal tax abatement system, which prevailed until 1972, facilitated the establishment by the provinces of their own tax rates. Under this system, the abatement was deducted when determining the federal personal income tax payable and this deduction plus any additional tax imposed by the province constituted the provincial personal income tax payable. In 1967, the abatement was set 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 revisions brought to the **Income Tax Act** in 1971. The abatement system was then abandoned and the federal rates of

personal income tax were adjusted downward to take account of the heretofore 28% abatement and of modifications to the structure of the federal tax system. The latter consolidated the former categories of rates into a composite scale, (e.g., the special calculation in respect of the old age security was integrated into the new rate structure). According to this new scale, it was estimated that a provincial tax rate of 30.5% of the new "basic federal tax" would produce the same revenue as did the former 28% abatement. Provincial governments, however, are free to specify rates above or below 30.5% and so determine the impact of their personal income taxes as they had been doing for some time in respect of their corporation income tax.²

IV - Provincial Tax Revenue Guarantee Payments

The substantial changes brought to the federal **Income Tax Act** in 1971 lead the provinces to believe that the level of their tax revenue could be affected if they adopted similar changes. The federal government provided, therefore, a guarantee that for five years the provinces would not suffer a loss of personal and corporation income tax revenue if they adopted income tax acts modelled on the revised federal act with rates equivalent to those levied under their previous acts. Each province's personal income tax revenue is thus guaranteed at a yield equal to that obtained through the application of that province's 1971 rates to an economic base determined annually for each province in the related regulations. The calculation of revenue guarantee applicable to provincial corporation income tax revenue is made through a "side by side" analysis of each corporation's income tax returns.

V - Transfer Payments with Respect to Tax on 1971 Undistributed Income on Hand

Prior to the 1971 **Income Tax Act** revision, 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 subsequently be distributed to shareholders free of tax. Provisions in this respect were maintained in the revised Act for income earned prior to 1972. 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. In this connection, the federal government makes transfer payment in the amount of 20% of the tax already paid.

VI - 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 such arrangements, the federal government finances the operating costs of the provinces' post-secondary education on the basis of either 50% of such costs or a per capita grant of \$15.00 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 a 15% annual increase. The \$15.00 per capita grant is more favourable than the 50% sharing for the provinces of Newfoundland, Prince Edward Island and New Brunswick.

As indicated earlier, fiscal arrangements have been established for a five-year period, thus the present ones will end in March 1977. Payments to the provinces under this Act are indicated below for fiscal year 1975 - 76.

² See Table 3 for provincial income tax rates.

Payments to the Provinces Pursuant to the Federal-Provincial Fiscal Arrangements Act, 1972
1975 - 76

	\$'000
Equalization	1,961,775
Stabilization	-
Tax collections:	
Personal income tax	3,849,049
Corporation income tax	651,858
Tax revenue guarantee:	
Personal income tax	445,977
Corporation income tax	14,534
Tax on 1971 undistributed income on hand	14,040
Post-secondary Education adjustments	534,993
Total payments	7,472,226

The Established Programs (Interim Arrangements) Act, 1964 - 65

In 1965, the provinces were given an option to assume full financial and administrative responsibility of certain federal-provincial shared-cost programs in return for fiscal compensation. To this end, the above mentioned Act was enacted in April 1965. The programs were specified in two schedules to the Act: the major programs of a continuing nature were listed in Schedule I whereas smaller and more transient programs were enumerated in Schedule II.

A province, wishing to avail itself of the provisions of the Act with respect to a Schedule I program, was required to enter into an agreement with the federal government according to which it would assume full responsibility for the administration and financing of a specified program. In return, the federal government would abate, by a given percentage, its income tax levied on the income of individuals residing within the province, would pay associated equalization and would make an operating cost adjustment. The operating cost adjustment, consisting of either a payment or recovery, was to ensure that a province would not suffer or benefit through assuming the financing of the federal share of the former joint program. Because of their smaller size and lack of continuity, the compensation associated with a Schedule II program did not provide for federal tax abatement, but was to be paid directly to the province. The Act specified the length of the interim period of the arrangements, varying for each program from March 31, 1967 to December 31, 1970, as well as the tax abatement associated with Schedule I programs. Originally, the abatement from federal "basic tax" was as follows:

Hospital Insurance Program	14%
Special Welfare Program	4%
Technical Training Program	1%
Health Grants Program	1%
Total	20%

Quebec alone took advantage of the legislation and contracted out all Schedule I programs and one of the Schedule II programs, forestry, which was phased out in fiscal year 1966 - 67. Since all Schedule II programs have now terminated, provisions of the Act relating to such programs have been repealed.

Since the inception of the contracting-out arrangements the following changes have occurred: the special welfare program was extended in 1967 - 68 to include the new Canada Assistance Plan which was designed to replace the former categorical approach; the technical and vocational training program was discontinued at the end of fiscal year 1966 - 67 as was the health grants program, at the end of fiscal year 1971 - 72. As a consequence the Schedule I programs have, since the commencement of the 1972 - 73 fiscal year, been reduced to two: hospital insurance and special welfare.

In 1972, the Act was further amended by extending the length of the interim period for the hospital insurance program and special welfare program to December 31, 1977 and March 31, 1977, respectively. The interim period for the health grants program was not extended beyond March 31, 1972 as this program was being phased out. In addition, the original provisions concerning the payment of equalization associated with the income tax abatement were repealed as of January 1, 1972 for the hospital insurance program and April 1, 1972 for the special welfare program.

On the termination of the technical training program on March 31, 1967, the one per cent abatement associated with it was reassigned to the post-secondary program in Quebec so as to increase the tax abatement to this province from 3% to 4%, which percentage was prevailing for all other provinces. On the other hand, when the health grants program was discontinued at the end of fiscal year 1971 - 72, the related tax abatement was reallocated to the hospital insurance program. As a result, the tax abatement in favour of Quebec was, at the end of 1971 - 72, as follows:

Hospital Insurance Program	15%
Special Welfare Program (including Canada Assistance Plan)	4%
Total	19%

A further adjustment of the tax abatement occurred in 1972 with the introduction of the revised **Income Tax Act**. An additional 2% of basic federal income tax yield in Quebec was granted so as to keep in line with the new determination of the base following tax reform. The increased abatement was shared between the two remaining programs. Commencing with the 1972 taxation year, the total tax abatement relating to the opting-out formula was as follows:

Hospital Insurance Program	16%
Special Welfare Program	5%
Total	21%

In 1975 - 76 the value to Quebec of the federal basic tax abatement and the amounts of operating cost adjustments were as follows:

	Hospital Insurance Program	Special Welfare Program
Operating Cost Adjustment	\$ 31,312,400	\$287,632,502
Personal Income Tax Abatement	639,123,727	191,085,102

These payments include prior years' adjustments in respect of either operating costs or tax abatement, or both.

The Federal-Provincial Fiscal Revision Act, 1964

Under the federal government's Youth Allowance Program, introduced on September 1, 1964, a monthly

allowance was payable for dependent children aged 16 and 17 who were full-time students or who were unable to attend school for reason of mental or physical disability. Quebec had, however, a similar program in force since 1961. To avoid paying youth allowances in a province already providing them, the federal government, under the above-mentioned Act, granted an abatement of 3% of basic federal income tax to residents of any province having such a plan in effect.

The Act also provided that where the value of the income tax abatement differed from the amount the federal government would have otherwise paid, an adjustment payment or recovery would be made. As the value of the tax abatement has been greater than the federal saving, a recovery from Quebec has been made each year since the commencement of the program.

In 1973 the federal **Family Allowances Act** was extended to include the 16 and 17 years old children formerly covered by the **Youth Allowances Act** and the latter was repealed with effect as of December 31, 1973. Quebec families became recipients of the extended

federal program and the province discontinued its schooling allowances. To avoid restructuring the Quebec tax system that the discontinuance of the tax abatement in respect of youth allowances would have required, the federal **Income Tax Act** was amended to maintain the abatement to Quebec residents. However, the **Federal-Provincial Fiscal Revision Act, 1964** was amended to allow the federal government to recover the full value of such abatement from its payments made to Quebec pursuant to either the **Federal-Provincial Fiscal Arrangements Act, 1972** or any other federal statute.

Recoveries from Quebec amounted to \$114,678,111 in 1975 - 76. This amount consists of the tax abatement (\$114,651,061) and an adjustment of \$27,050 in respect of prior years' tax abatement and operating cost. The actual value of the 3% tax abatement to Quebec in 1974, as determined from the final compilation of personal income tax returns for that calendar year, amounted to \$94,830,060, and the estimated value of 1% in 1975, amounted to \$36,475,000.

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. E-13 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 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 can be described in three successive steps: the declaration of total income, the computation of net income and the determination of taxable income.

First, total income includes earnings from all sources, such as

- (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 pensions, unemployment insurance benefits, retiring allowances, death benefits, alimony, maintenance payments, annuity payments, adult training allowance, scholarship, bursaries, research grants and family allowances.

On the other hand, total income excludes employment expenses up to the lesser of 3% of employment income or \$150.

Secondly, certain deductions from total income 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 expenses.

Thirdly, taxable income is derived by subtracting from net income personal exemptions and deductions, other than those listed above, as they are set out in Table 1. As may be noted in this table, income levels in each rate brackets are 11.3% higher than in 1975 to take into account 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 (interests, dividends, rents and royalties) and gains resulting from the disposal of capital property. Expenses, including indirect taxes, e.g., property taxes, and outlays necessary to earn a particular type of income as well as specified deductions are subtracted from the relevant return 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.

The rates of corporation income taxes are set out in Table 1. There is, 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 Federal Taxes

Besides income taxes the federal government levies other important taxes pursuant to various Acts, of which the most significant are the **Excise Tax Act**, the **Excise**

Act, the **Customs Tariff** and the **Petroleum Administration Act**. The main taxes levied under each of these Acts are briefly described below.

The Excise Tax Act

(a) Consumption or Sales Taxes

Under Part V of the above-mentioned Act, the federal government levies a tax (usually referred to as the manufacturers' sales tax) on all goods produced in or imported into Canada unless there is a specific exemption in the Act. For goods produced in Canada, the taxable value is the selling price of the manufacturer or, under certain conditions, the purchase price of a licensed wholesaler or operator of duty free sales outlets. Where goods are imported the tax is levied on the duty-paid value of the goods. The rate is 12% on most commodities; it is 5% on building equipment and construction materials which are specified in Schedule V to the Act. A list of goods, either fully or partially exempt, is given in Table 2.

(b) Excise Taxes

An excise tax is levied on foreign insurance premiums, other than marine, pursuant to Part I of the **Excise Tax Act** and on air transportation pursuant to Part II.

Most commodities subject to the consumption tax described above are also subject to the excise tax. These commodities or articles are specified in Parts III and IV of the Act as well as in the Schedule to the Act. Most of these articles are listed in Table 2. The excise tax and the consumption tax are calculated independently on the basic value of the product which is either the sale or delivered price when made in Canada, or the duty-paid-value when imported. For alcoholic beverages and tobacco products the sale price, for the purpose of the excise taxes, includes the excise duties levied under the **Excise Act**. The excise tax does not apply to exported goods.

The Excise Act

Under this Act, the federal government levies duties on tobacco and alcoholic products, other than

wines, made in Canada. These commodities are under the control of the Crown until the duty is paid and evidenced by a stamp or an approved imprint placed on the article. The duties are expressed at various unit rates based on the quantity rather than the value of the product and are applied before the above-mentioned excise taxes are levied. For similar imported products, the excise duty is included in the customs duty rates applicable.

The Customs Tariff

Customs duties are imposed on most imported commodities under the authority of the **Customs Tariff**. Imported articles are classified under various categories and a rate is established for each. There are two types of rates: a specific rate, i.e., an amount per quantity or volume, and an "ad valorem" rate which is a percentage of the dutiable value of the imported goods. This value is generally the fair market value in the country of export. In addition, these two types of rates vary according to the country of origin of the imported goods. In this respect, there are three categories: (a) British preferential rates, which are the lowest, (b) most favoured nation rates established under special agreements with certain countries and (c) general rates, which apply to imports from countries not included in (a) and (b).

The Petroleum Administration Act

Under the authority of this Act, a charge is levied by the federal government on the export of crude oil and certain petroleum products. Rates of taxation, which vary according to the kinds and qualities of the products, consist of a specific charge per barrel or equivalent of barrels.

Table 2 sets out the rates of taxes levied under the above described Acts on various goods and activities, exclusive however of customs duties. For detail on tariff schedules, references should be made to Revenue Canada, Customs and Excise.

1976 Changes in Federal Taxes

1. Personal Income Tax

- (a) A surtax of 10% on federal personal income tax payable which exceeds \$8,000, is in force for the 1976 taxation year.
- (b) The maximum annual limit on deductions allowable in respect of contributions to pension plans, as defined for income tax purposes, has been raised from \$2,500 to \$3,500 for employers and employees, commencing in the 1976 taxation year. In the case of persons who are self-employed, or considered as such for income tax purposes, the limit has been increased to \$5,000 from \$4,000.

- (c) The maximum limits on child care expense deduction for 1976 are increased as follows:
 - \$30 (from \$15) weekly per child
 - \$1,000 (from \$500) annually per child
 - \$4,000 (from \$2,000) annually per family.

2. Corporation Income Tax

- (a) The annual limit of the small business deduction is raised from \$100,000 to \$150,000 and the cumulative limit is increased from \$500,000 to \$750,000 effective for 1976.

- (b) The rate of branch tax payable is limited to the maximum rate payable on dividends remitted to the resident of a country with which Canada has an income tax treaty, which is normally 15%.

3. Consumption or Sales Tax

The tax has been removed on certain energy-saving equipment such as solar furnaces and wind powered generating equipment, effective May 25, 1976.

4. Excise Taxes

- (a) Commencing August 1, 1976, the weight threshold at which the tax on heavier motor vehicles takes

effect is reduced by 250 pounds for cars and 350 pounds for station wagons. The rate is increased by \$10 for the first excess 100 pounds; \$15 for the second 100 pounds; \$20 for the third 100 pounds and \$30 for each subsequent 100 pounds.

- (b) A tax of \$100 on motor vehicle air conditioners, at the point of manufacture, was introduced to take effect May 25, 1976.
- (c) It is proposed to extend the Air Transportation Tax to include fares purchased outside Canada by a person using Canadian airports.

All the changes outlined above are integrated in Tables 1 and 2.

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	<p>Personal income tax schedule:</p> <table> <tr> <td>6% on the first \$654 of taxable income</td><td></td></tr> <tr> <td>\$ 39 on \$ 654 plus 18% on next \$ 653</td><td></td></tr> <tr> <td>157 " 1,307 " 19% " "</td><td>1,307</td></tr> <tr> <td>405 " 2,614 " 20% " "</td><td>1,307</td></tr> <tr> <td>667 " 3,921 " 21% " "</td><td>2,614</td></tr> <tr> <td>1,216 " 6,535 " 23% " "</td><td>2,614</td></tr> <tr> <td>1,817 " 9,149 " 25% " "</td><td>2,614</td></tr> <tr> <td>2,470 " 11,763 " 27% " "</td><td>2,614</td></tr> <tr> <td>3,176 " 14,377 " 31% " "</td><td>3,921</td></tr> <tr> <td>4,392 " 18,298 " 35% " "</td><td>13,070</td></tr> <tr> <td>8,966 " 31,368 " 39% " "</td><td>19,605</td></tr> <tr> <td>16,612 " 50,973 " 43% " "</td><td>27,447</td></tr> <tr> <td>28,414 " 78,420 " 47% on excess.</td><td></td></tr> </table>	6% on the first \$654 of taxable income		\$ 39 on \$ 654 plus 18% on next \$ 653		157 " 1,307 " 19% " "	1,307	405 " 2,614 " 20% " "	1,307	667 " 3,921 " 21% " "	2,614	1,216 " 6,535 " 23% " "	2,614	1,817 " 9,149 " 25% " "	2,614	2,470 " 11,763 " 27% " "	2,614	3,176 " 14,377 " 31% " "	3,921	4,392 " 18,298 " 35% " "	13,070	8,966 " 31,368 " 39% " "	19,605	16,612 " 50,973 " 43% " "	27,447	28,414 " 78,420 " 47% on excess.	
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157 " 1,307 " 19% " "	1,307																										
405 " 2,614 " 20% " "	1,307																										
667 " 3,921 " 21% " "	2,614																										
1,216 " 6,535 " 23% " "	2,614																										
1,817 " 9,149 " 25% " "	2,614																										
2,470 " 11,763 " 27% " "	2,614																										
3,176 " 14,377 " 31% " "	3,921																										
4,392 " 18,298 " 35% " "	13,070																										
8,966 " 31,368 " 39% " "	19,605																										
16,612 " 50,973 " 43% " "	27,447																										
28,414 " 78,420 " 47% on excess.																											
4. Personal exemptions	<p>Married taxpayer \$3,921</p> <p>Single taxpayer 2,091</p> <p>Dependant child under 16 years of age 392</p> <p>Other dependants (as defined by law) 719</p> <p>Taxpayer aged 65 years or over (transferable to spouse) 1,307</p>																										
5. Deductions	<p>Charitable donations up to 20% of net income.</p> <p>Gifts to the federal or provincial governments.</p> <p>Medical expenses in excess of 3% of net income.</p> <p>An optional standard deduction of \$100 in lieu of claiming charitable donations and medical expenses.</p> <p>\$1,307 for blind persons or persons confined to a bed or wheelchair (transferable to spouse).</p> <p>Payments of supplement under Old Age Security Act.</p> <p>\$50 for each month in attendance at a post-secondary institution for students and/or supporting individuals (transferable to spouse).</p> <p>Interest and Canadian dividend income up to \$1,000 (transferable to spouse).</p> <p>\$1,000 for pension income other than from universal pension plans (transferable to spouse).</p> <p>Non-capital losses sustained in any of the five preceding years, net capital losses up to the amount of any taxable capital 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.</p>																										
6. Tax reductions and credits	<p>General averaging when income exceeds 120% of average income of the preceding four years or 110% of income for the immediately preceding year.</p> <p>Averaging for farmers or fishermen for a block of five years.</p> <p>24% tax abatement for income earned in Quebec in compensation for the province's opting-out of certain shared-cost programs.</p> <p>A general 8% of tax payable with a minimum of \$200 and a maximum of \$500.</p> <p>20% of the taxable amount (actual amount plus one-third of this amount) of dividends from taxable Canadian corporations.</p> <p>A foreign tax credit applicable to foreign non-business income and income from business carried on in a foreign country.</p> <p>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.</p> <p>A portion of political contributions to federal registered parties and candidates up to a maximum of \$500.</p>																										
7. Surtax	<p>30% on income earned in the Yukon and Northwest Territories and in another country.</p> <p>10% on personal income tax payable exceeding \$8,000.</p>																										
Corporation income tax																											
8. Statutory authority	Income Tax Act; Part I.																										
9. Basis	Total taxable income of corporations and taxable income of foreign corporations earned in Canada.																										
10. Rate	46%.																										
11. Deductions	<p>Charitable donations up to 20% of net income.</p> <p>Gifts to the federal or provincial governments.</p> <p>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.</p> <p>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.)</p>																										

TABLE 1, Income Taxes Levied by the Federal Government - Concluded

Corporation income tax - Concluded	
13. Tax reductions and credits	<p>10% abatement of taxable income earned in a province.</p> <p>21% for Canadian-controlled private corporations on first \$150,000 of income from an active business carried on in Canada to the overall limit of \$750,000.</p> <p>6% on manufacturing and processing profits (5% when qualifying for small business deduction).</p> <p>Foreign tax credit.</p> <p>Logging tax credit.</p> <p>Federal political contributions tax credit.</p> <p>8% investment tax credit applicable to new buildings, machinery and equipment acquired between June 24, 1975 and July 1, 1977.</p>
13. Special rules	<p>Private corporation:</p> <p>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.</p> <p>Investment corporation:</p> <p>Investment income qualifies for 25% reduction in normal corporate rates.</p> <p>Realized capital gains are taxed at normal corporate rates (refundable when gains are distributed to shareholders as capital gains dividends).</p> <p>Dividends from taxable Canadian corporations are exempt.</p>
Tax on taxable dividends received by private corporations	
14. Statutory authority	Income Tax Act; Part IV.
15. Basis	Private corporations' taxable dividends.
16. Rate	33 1/3% (refundable when taxable dividends are paid).
Tax on 1971 undistributed income on hand	
17. Statutory authority	Income Tax Act; Part IX.
18. Basis	Election to prepay special tax on 1971 undistributed income on hand.
19. Rate	15%
Tax on investment income of life insurers	
20. Statutory authority	Income Tax Act; Part XII.
21. Basis	Investment income of life insurers.
22. Rate	15%
Tax on income from Canada of non-resident persons	
23. Statutory authority	Income Tax Act; Part XIII.
24. Basis	<p>(a) Amounts paid to a non-resident:</p> <p>General rate on management fees, interest, trust income, rents, royalties, alimony, pension payments, rental of motion picture film and dividends.</p> <p>(b) Dividends paid by a corporation having a degree of Canadian ownership (25% of voting equity stock).</p>
25. Rates	<p>(a) 25% } except where limited by treaty.</p> <p>(b) 20% }</p>
26. Exemptions	<p>Interest on certain bonds issued or guaranteed by the government of Canada or on certain obligations issued before December 20, 1960.</p> <p>Interest on certain corporate debt securities issued after June 23, 1975 and before December 31, 1978.</p> <p>Dividends or interest payable by a non-resident-owned investment corporation.</p> <p>Copyrights.</p> <p>Payments to holder of a certificate of exemption.</p>
Additional tax on non-Canadian corporations carrying on business in Canada	
27. Statutory authority	Income Tax Act; Part XIV.
28. Basis	Taxable income earned in Canada reduced by tax already paid.
29. Rate	25% (except where limited by treaty).

TABLE 2. Other Important Federal Taxes

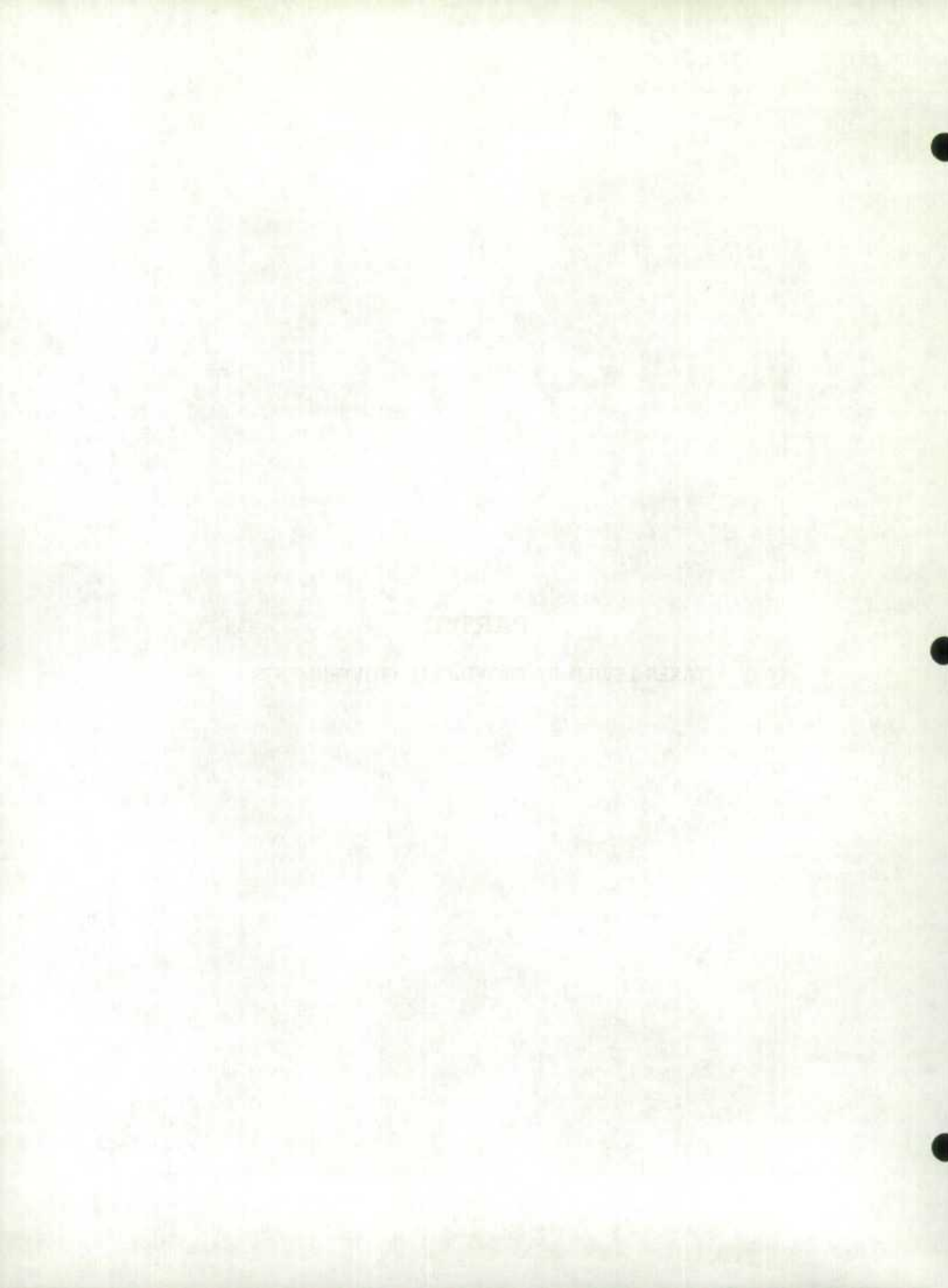
Consumption or sales tax	
1. Statutory authority	Excise Tax Act (Part V) R.S.C. 1970, c. E-13 and amendments.
2. Basis	Manufacturers' selling price or duty paid value of imports.
3. Rate	General rate: 12% Schedule V: 5%.
4. Comments	Schedule III (fully exempt articles): Covering or containers; diplomatic articles; educational material; farm and forest products; foodstuffs; fuel and electricity; health material; marine and fisheries items; mines and quarries material; municipalities; production equipment, processing materials and plans; goods manufactured in institutions; clothing and footwear; construction equipment; transportation equipment; insulation material and other miscellaneous items. Schedule V (articles taxed at a reduced rate): Construction materials and equipment for buildings.
Insurance premiums other than marine	
5. Statutory authority	Excise Tax Act (Part I) R.S.C. 1970, c. E-13 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 fire, personal accident, sickness, marine risk or nuclear risk.
Air transportation tax	
9. Statutory authority	Excise Tax Act (Part II) R.S.C. 1970, c. E-13 and amendments.
10. Basis and rate	Value of air transportation paid in Canada: Canada, Continental U.S.A., St. Pierre and Miquelon 8% (Maximum \$8) Other flights \$8
Special excise tax	
11. Statutory authority	Excise Tax Act (Parts III and IV) R.S.C. 1970, c. E-13 and amendments.
12. Basis and rate	Part III, articles enumerated in Schedule I: Lighters \$ 0.10 per unit Amusement devices 10% ad valorem Smokers accessories 10% " " Cigars 20% " " Matches 10% " " Clocks and watches (portion over \$50) 10% " " Jewellery, precious or semi-precious stones 10% " " Automobiles: 4,250 - 4,350 lb. (portion) \$ 30 4,350 - 4,450 lb. (portion) 40 4,450 - 4,550 lb. (portion) 50 each additional 100 lb. 60 Station-wagons, vans and trucks: 4,750 - 4,850 lb. (portion) \$ 30 4,850 - 4,950 lb. (portion) 40 4,950 - 5,050 lb. (portion) 50 each additional 100 lb. 60 Motorcycle (displacement greater than 250 c.c.) 5% Boats and motors exceeding 20 h.p. 10% Private aircraft 10% Gasoline \$ 0.10 per gallon Air conditioner for motor vehicles \$100

TABLE 2. Other Important Federal Taxes - Concluded

Special excise tax - Continued	
12. Basis and rate	<p>Part III, articles enumerated in Schedule II:</p> <p>Cigarettes \$0.03 per 5</p> <p>Tobacco-manufactured \$0.90 per pound</p> <p>Part IV:</p> <p>Playing cards \$0.20 per pack</p> <p>Wines (excluding imports. Custom duties on imports are set to take into account the taxes levied on domestic production of wines):</p> <p>Wine containing 7% or less alcohol \$0.25 per gallon</p> <p>Non-sparkling wines containing more than 7% alcohol but not over 40% proof spirit \$0.50 " "</p> <p>Champagne and all other sparkling wines \$2.50 " "</p> <p>Additional levy (applied to domestic and imported wines):</p> <p>Wines containing 7% or less alcohol \$0.025 " "</p> <p>Wines containing more than 7% alcohol \$0.05 " "</p>
Excise duties	
13. Statutory authority	Excise Act; R.S.C. 1970, c. E-12 and amendments.
14. Basis and rate	<p>(a) Spirits:</p> <p>Domestic potable spirits on the strength of proof distilled in Canada \$16.25 per gallon</p> <p>Non-potable spirits used in the manufacture of:</p> <p>Medicines, extracts, pharmaceutical preparations, etc. 1.50 " "</p> <p>Approved chemical compositions \$ 0.15 " "</p> <p>Spirit sold to druggist for preparation of prescriptions \$ 1.50 " "</p> <p>Imported spirits taken into bonded manufactory, in addition to other duties \$ 0.30 " "</p> <p>Canadian brandies \$14.25 " "</p> <p>Beer \$ 0.42 " "</p> <p>(b) Tobacco - On domestic production:</p> <p>Manufactured tobacco excluding cigarettes \$ 0.50 per pound</p> <p>Cigarettes weighing not more than 3 lb. per 1,000 \$ 5.00 per 1,000</p> <p>Cigarettes weighing more than 3 lb. per 1,000 6.00 " "</p> <p>Cigars 2.00 " "</p> <p>Canadian raw leaf tobacco when sold for consumption \$ 0.10 per pound</p>
15. Comments	<p>(a) These duties do not apply to spirits used to treat domestic wine or in the manufacture of vinegars or cosmetics.</p> <p>(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.</p>
Customs Import duties	
16. Statutory authority	Customs Tariff; R.S.C. 1970, c. C-41 and amendments.
17. Basis and rate	<p>Either ad valorem duty which is based on a percentage of the value of goods imported or specific rates apply under the following categories:</p> <p>(a) British preferential (lowest).</p> <p>(b) Most favored nation (under special agreement with various countries).</p> <p>(c) General (applicable to countries not included in (a) and (b)).</p>
18. Comments	<p>The tariff schedules are too lengthy and complicated to be summarized here.</p> <p>The rates applicable to a particular item may be obtained from Revenue Canada, Customs and Excise.</p>
Petroleum export charge	
19. Statutory authority	Petroleum Administration Act; S.C. 1975, c. 47.
20. Basis and rate	<p>Oil products exported as of June 1976:</p> <p>Lloydminster type crude \$3.70 per barrel</p> <p>Selected crude less than 25° A.P.I. 3.80 " "</p> <p>Condensate 4.60 " "</p> <p>All other crude 4.60 " "</p> <p>Motor gasoline 4.75 " "</p> <p>Middle distillate 3.75 " "</p> <p>Heavy fuel oil 3.25 " "</p> <p>Partially processed oil 4.60 " "</p>

PART II

TAXES LEVIED BY PROVINCIAL GOVERNMENTS



TAXES LEVIED BY PROVINCIAL GOVERNMENTS

The principal taxes levied by provincial governments are highlighted under three headings: income

taxes, consumption taxes and miscellaneous levies.

Income Taxes

In addition to personal and corporation income taxes, some provincial governments levy capital and gift taxes as well as succession duties. Even though the latter are generally considered as a tax on wealth, they are dealt with here under the general heading of income taxes.

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 province of residence on the last day of a taxation year, i.e., 31st December, determines the provincial income tax to be paid at the rates prevailing in that province. The tax is calculated on the basis of total income for the year (except business income) regardless of where that income was earned. The portion of business income which is earned in provinces other than the province of residence is allocated among the permanent establishments outside that province and the portion which is earned in the province of residence is attributed to that province.

The rates applicable in each province (as set out in Table 3) are expressed as percentages of "basic federal tax",¹ except in Quebec where rates are based directly on income. Some provinces employ tax credit and rebate measures to alleviate the weight of their taxes on low income taxpayers. These measures are indicated in Table 3. As noted above, the federal government, pursuant to Tax Collection Agreements, collects provincial personal income tax (Quebec excepted) according to the rates and special legislation established under provincial statutes.

The province of Quebec has its own personal income tax system under which tax is computed, not as a percentage of the "basic federal tax" as in the case of other provinces, but by reference to a graduated rate schedule which takes into account the federal income tax abatement. As noted above (page 8) the federal abatement of 24% of the "basic federal tax" relates to the fiscal compensation granted to Quebec for financing shared-cost programs and schooling allowances which are financed by the federal government in the other provinces.

In addition to being unlike the other provinces, the Quebec system also differs from the federal system

in respect of the lower brackets of taxable income, of personal exemptions and of payments of non-taxable supplementary family allowances which are made in lieu of the federal adjustments to taxable income for changes in the consumer price index.

Most of the above-mentioned differences and the Quebec rate schedule are indicated in Table 3.

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 pursuant to Tax Collection Agreements. These provinces can, however, modify somewhat the taxable base, as they do for personal income tax described above; the main modifications are indicated in Table 3. Quebec and Ontario, who collect their own tax, follow closely, but not exactly, the federal rules in the determination of corporation taxable income.

Capital Taxes

Four provinces: Quebec, Ontario, Manitoba and British Columbia, 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 all four provinces, there are special provisions and rates for specified companies, such as telecommunications companies, banks and other financial establishments. Quebec levies, in addition to a capital tax, a tax on places of business.

Gift Taxes and Succession Duties

Five provinces levy and collect 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 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 inter vivos gifts are the same in all

¹ The basic federal tax is the amount computed according to the graduated rate schedule appearing on page 16.

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 which take into consideration the degree of relationship between the beneficiary and the deceased.

Further details on as well as the currently prevailing rates of capital and gift taxes and successions duties are given in Table 4.

Consumption Taxes

Consumption taxes levied by provincial governments conform to the constitutional limitations requiring that they be not only direct, but that they be exigible only within the province. Although this type of tax is paid by the purchaser, it is collected by the supplier or seller, acting as a government agent, who is generally compensated by a commission on the sales tax collected. The most important of these levies are taxes on retail sales, motive fuels, tobacco, meals, lodging, telephone services and telecommunications.

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. The tax is payable on the selling price of tangible personal property, defined to include certain services, purchased for own consumption or use and not for resale. Each provincial Act, however, specifies a number of goods that are exempt. Exemptions include items related mainly to necessities of life and to material used in the farming and fishery industries. Table 5 A gives a list of the main exemptions as well as the prevailing rates in each province.

Motive and Other Fuel Taxes

All provinces and territories impose a tax at a specific rate (i.e., an amount per gallon) on fuels purchased within their boundaries. For purposes 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 or are taxed at a preferred rate.

Tobacco Taxes

A tax on sales of cigarettes, cigars and other tobacco products is levied in all provinces and, since 1974, in both the Yukon and Northwest Territories. Although rates of taxation vary among provinces, generally the rate applies to a quantity of tobacco products; in a few cases the tax takes the form of an "ad valorem rate" based on the retail price.

Meals and Lodging Tax

Except as noted, all provinces tax prepared meals priced over a fixed amount and transient accommodations. The exemptions are Alberta in both cases and

Saskatchewan and British Columbia in the case of meals only. In most provinces, these are taxed under the retail sales tax Acts, except in Quebec where such taxes are levied under the **Meals and Hotels Tax Act**, and in British Columbia where the tax on transient accommodations is levied pursuant to the **Hotel and Motel Room Tax Act**.

Telephone and Telecommunications

All provinces tax local telephone services under their retail sales tax Act. In most cases, long distance telephone calls and other telecommunications are also taxed under the retail sales tax acts. In Quebec and Nova Scotia however these services are taxed under the **Telecommunications Tax Act** and under the **Corporation Tax Act** respectively. In Alberta long distance telephone calls and telecommunications are tax exempt.

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 distribution of these products. The markups of these agencies are tantamount to 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. In the case of private retailers, licence and other fees are substituted for government markups.

In addition to the markups, sales to individuals are subject to the retail sales tax Act in most provinces. Generally the rates applicable are those prevailing for general retail sales, but in Ontario and Manitoba special rates apply. 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 purchaser. In Quebec, this latter tax is levied under the **Meals and Hotels Tax Act**. The Yukon territory imposes a surcharge on all liquor purchased at a government liquor store.

Rates of and details on 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.

Miscellaneous Provincial Levies

Provincial governments resort to a variety of levies related to the exploitation of natural resources within their boundaries, to motor vehicle driving and registration, to admissions to places of amusement and to 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.

Five provinces levy real property taxes. In Prince Edward Island and New Brunswick, where services formerly carried out 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, however, are made by the provinces which remit the municipal share to individual municipalities. Nova Scotia levies a "land tax" of limited application. In unorganized (non-municipal) areas, Ontario imposes a property tax on the assessed value of any land and fixes a minimum annual amount. British Columbia levies and collects a provincial property tax in non-municipally organized areas at rates varying between farm and wild land.

Details on most of the above-mentioned levies are shown in Table 6.

1976 Changes in Provincial Taxes

1. Personal Income Tax

- (a) **Newfoundland:** In the supplementary budget brought down on November 24, 1975, the rate was increased by two percentage points bringing the total rate to 42%, effective July 1, 1976. The average rate for the 1976 taxation year is thus 41%.
- (b) **New Brunswick:** As indicated in last year's publication, the rate has been reduced by 2%, i.e., from 41.5% to 40.6%, effective January 1, 1976.
- (c) **Manitoba:** A 20% surtax has been implemented, as of January 1, 1976 on provincial tax payable in excess of \$2,120. Effective on the same date, the maximum and minimum amounts of real property tax credit granted through personal income tax have been increased by \$50 and \$25 respectively.
- (d) **Saskatchewan:** A 10% surtax will be applied to provincial tax payable in excess of \$1,500 for the 1976 taxation year.
- (e) **British Columbia:** Effective July 1, 1976, the rate will increase from 30.5% to 32.5% making the average rate 31.5% for the 1976 taxation year.

2. Corporation Income Tax

- (a) **Newfoundland:** Effective January 1, 1976, the rate went from 13% to 14%.
- (b) **Nova Scotia:** The rate increased by two percentage points, i.e., from 10% to 12%, effective January 1, 1976.
- (c) **Quebec:** The preferential rate granted to investment corporations, mutual fund corporations and non-resident owned corporations is repealed effective May 12, 1976. Those corporations are now taxed at the general corporation income tax rate, i.e., 12%.
- (d) **Ontario:** The tax rate for small businesses has been reduced from 12% to 9% effective April 7, 1976.

However, the tax credit that was granted to them is abolished.

- (e) **Manitoba:** The rate went from 13% to 15% effective January 1, 1976 except for small businesses which remained at 13%.
- (f) **British Columbia:** The general rate went from 13% to 15% and the rate applicable to small businesses went from 10% to 12%, both increases take effect on January 1, 1976.

3. Capital Taxes

Manitoba: A tax of 1/5 of 1% will be levied on taxable capital, i.e., any amount over \$100,000, of corporations whose fiscal year ends after June 30, 1976. Cooperatives, credit unions, family farms and charitable organisations are exempt.

4. Gift Taxes

Saskatchewan: The disposition relative to the once-in-a-lifetime gift exemption has been amended in order to include gifts of a small business.

5. Succession Duties

Quebec: The basic rate has again been reduced by 20% effective January 1, 1977.

6. Retail Sales Tax

- (a) **Newfoundland:** In a supplementary budget brought down on November 24, 1975, the rate has been increased by 2%, going from 8% to 10%, effective at that date. At the same time, clothing purchases were added to the list of exemptions and the minimum amount taxable has been increased from \$0.08 to \$0.20.

- (b) **Prince Edward Island:** Effective March 23, 1976 the following goods became exempt: insulating materials, storm windows and storm doors as well as certain alternate energy sources such as wood burning stoves, solar heating systems and windmills.
- (c) **Nova Scotia:** The rate went from 7% to 8% effective March 20, 1976.
- (d) **Quebec:** The abatement granted to manufacturers and mining companies, which was proportional to their sales outside the province, has been repealed on May 12, 1976 as well as the temporary plan of exemptions pertaining to production equipment. These have been replaced by a total exemption on production equipment bought or rented for the production of moveable property for sale. Conditioning material such as abrasives, filtering and sifting materials are also exempt if they are used directly in the production of moveable property for sale.
- (e) **Ontario:** The rate which had been reduced from 7% to 5% for the period between April 8, 1975 and December 31, 1975 has been re-established at 7% on January 1, 1976. However, effective April 7, 1976, an exemption is granted on purchases of insulation materials to be used in existing houses and the maximum tax free price of meals has been increased by \$1.00, i.e., from \$4.00 to \$5.00.
- (f) **Manitoba:** As of April 14, 1976 railway rolling stock has been deleted from the list of exemptions. Also, the right to levy and collect additional sales taxes on liquor, hotel accommodation and restaurant meals costing more than \$3 was given to municipalities. No effective date is mentioned.
- (g) **British Columbia:** The rate increased from 5% to 7% on March 27, 1976.

7. Motive and Other Fuel Taxes

- (a) **Newfoundland:** An increase of \$0.02 per gallon on gasoline and diesel fuel has been made effective March 26, 1976.
- (b) **Manitoba:** Effective May 17, 1976, an increase in rate has been implemented for the following:

Aviation fuel	\$0.02	per gallon
Locomotive diesel fuel	\$0.05	" "
Fuel oil used for commercial heating	\$0.015	" "
Bunker fuel	\$0.0166	" "

The refund for diesel fuel used in off-highway vehicles has been reduced by \$0.05 per gallon, i.e., from \$0.16 to \$0.11.

- (c) **Saskatchewan:** The rate on gasoline has been increased by \$0.03 per gallon and the rate on diesel fuel, by \$0.05 per gallon, effective March 25, 1976.

8. Tobacco Taxes

- (a) **Nova Scotia:** On March 20, 1976 the tax was raised to 1/2 of \$0.01 per cigarette.
- (b) **Quebec:** The rates have been increased by 2/5 of \$0.01 per cigarette and by 5% of the retail price of cigars and other tobacco products, effective May 12, 1976.
- (c) **Ontario:** The tax on cigarettes has been increased by 1/4 of \$0.01 per cigarette as of April 7, 1976.
- (d) **Manitoba:** An increase of 1/5 of \$0.01 per cigarette and an increase ranging from \$0.01 and \$0.07 for cigars has been made effective May 17, 1976.
- (e) **Saskatchewan:** The tax on cigarettes has been increased by 6/25 of \$0.01 per cigarette effective March 24, 1976.
- (f) **British Columbia:** An increase of 4/25 of \$0.01 per cigarette has been made effective March 27, 1976.
- (g) **Yukon:** Effective April 1, 1976, the tax on cigarettes has been increased by 1/5 of \$0.01 per cigarette. Rates on other tobacco products have also been increased.

9. Telecommunications Tax

Nova Scotia: The tax on long distance telephone call has been raised by \$0.02 on each \$0.50 part of a call, effective April 1, 1976.

10. Alcoholic Beverage Tax

- (a) **Prince Edward Island:** Whereas dealers previously paid the tax on their purchases of alcohol, they will, as of May 3, 1976, collect it as agent of the government on the per-glass selling price of alcohol consumed in their establishment.
- (b) **Yukon:** With the introduction of a liquor tax ordinance on April 1, 1976 the rates of tax on alcoholic beverages purchased in a liquor store or warehouse have been raised as follows: \$0.35 per bottle of wine and \$0.30 per bottle of spirit.
- (c) The retail price of alcoholic beverages has been raised in most provinces. Since these increases vary depending on the category of products, the list of such increases is not supplied in this publication.

11. Insurance Premium Taxes

- (a) **Nova Scotia:** The tax on fire insurance premiums has been replaced, on April 1, 1976, by a tax of 3/4 of 1% on property insurance premiums.
- (b) **Ontario:** The tax rate has been brought from 2% to 3% on April 7, 1976.
- (c) **Yukon:** A tax of 2% on gross premiums received by insurance companies has been implemented on January 1, 1976.

12. Motor Vehicle Registration and Driving Permits

- (a) **Newfoundland:** The cost of driving permits went from \$9 to \$15 for three years on January 1, 1976. There has also been, on the same date, an increase in registration fees. The new rates are shown in Table 6.
- (b) **Prince Edward Island:** Driving permits have been raised by \$2 for one year whereas registration fees have been lowered effective January 2, 1976.
- (c) **Nova Scotia:** Registration fees for passenger vehicle will go from \$1.00 to \$1.25 per hundredweight effective January 1, 1977.
- (d) **Ontario:** The annual fee for drivers of uninsured motor vehicles is raised from \$60.00 to \$100.00, effective December 1, 1976.
- (e) **Manitoba:** The method used in the registration of motor vehicle will be modified on March 1, 1977. Instead of being based on the wheelbase of motor vehicles, the charge will be determined by their weight and their age. In February 1977, the minimum cost will go from \$12 to \$15. Effective March 1977, registration fees of commercial vehicles will be increased by 10% and slide-in camper units will have to be licensed.

13. Hospitalization and Medical Care Premiums and Payroll Taxes

- (a) **Quebec:** Employees contributions will be raised from 0.8% to 1.5% of net revenue, on June 1, 1976. The maximum annual contributions will also be increased

from \$125 to \$235 for employees and from \$200 to \$375 for self employed individuals.

- (b) **Ontario:** Starting May 1, 1976, the monthly premiums for health insurance have been increased by \$5 for taxpayers without dependants and by \$10.00 for taxpayers with dependants.
- (c) **Alberta:** On April 1, 1976, annual premiums for health insurance went from \$69 to \$76.80 for taxpayers without dependants and from \$138 to \$153.60 for taxpayers with dependants.
- (d) **British Columbia:** Monthly premiums as of July 1, will be modified in the following manner:

Taxpayers without de-			
pendants	from \$	5.00	to \$ 7.50
Taxpayers with two de-			
pendants	"	10.00	" 15.00
Taxpayers with more than			
two dependants	"	12.50	" 18.75

14. Miscellaneous Taxes

Quebec: Starting on May 12, 1976, duties, at the rate of 33%, will be levied on transfers of immoveable property to non-residents.

The above-described changes in provincial taxes are incorporated in Tables 3 to 6. Modifications in most of these taxes can be traced over a ten-year period in the historical tables included in Part IV.

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; R.S.P.E.I. 1974, c. 1-1 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	42% ¹ (July 1, 1976)	36%	38.5%	40.67%	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	—	—	—	—	Personal exemptions: Married taxpayer \$3,500 Single taxpayer 1,600 Dependant Child 550 Members of religious order 1,900 Taxpayer aged 65 years or over 1,000
Corporation income tax						
5	Statutory authority. .	The Income Tax Act; R.S.N. 1970, c. 163.	The Income Tax Act; R.S.P.E.I. 1974, c. 1-1 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	14%	10%	12%	10%	12%
8	Comments	—	—	—	—	—

¹ The effective rate over the 1976 taxation year will be 41%.

TABLE 3. Income Taxes Levied by Provincial Governments

Ontario	Manitoba	Saskatchewan	Alberta	British Columbia	No.
The Income Tax Act, R.S.O. 1970, c. 217 and amendments.	The Income Tax Act (Manitoba); R.S.M. 1970, c. 1-10 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
31.5%	42.5%	40%	26%	32.5% ² (July 1, 1976)	3
A tax credit which is the aggregate of: (a) Property tax credit (lesser of \$180 or occupancy cost, plus 10% of occupancy cost). (b) Sales tax credit (1% of personal exemptions). (c) Pensioner tax credit (\$110 for each person age 65 or over). Less 2% of taxable income. (Maximum credit of \$500.) Individuals whose Ontario income tax does not exceed \$61 are exempt.	Surtax of 20% on provincial income tax exceeding \$2,120 A property tax credit which is the lesser of: (a) \$350 less 1% of taxable income (minimum \$200). (b) Total property taxes or 20% of total rental payments. A cost of living tax credit which is: 3% of personal exemptions less 1% of taxable income.	Surtax of 10% on provincial income tax in excess of \$1,500 A tax reduction which is the lesser of the tax payable or \$100.	A renter credit which is: (a) \$90 plus 2% of total rent payments less 1/2 of 1% of taxable income. (b) 20% of rent paid less 1/2 of 1% of taxable income, when the total rent is less than \$500. The minimum credit is the lesser of \$50 or 20% of total rent paid. A reduction of the lesser of provincial tax payable or \$80 minus 2% of taxable income, when taxable income is below \$4,000.	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.	4
The Corporations Tax Act; S.O. 1972, c. 143 and amendments.	The Income Tax Act (Manitoba); R.S.M. 1970, c. 1-10 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%/9%	15%/13%	12%	11%	15%/12%	7
The 9% rate is applicable to small businesses.	The 13% rate is applicable to small businesses.	Refund of the tax paid due to the inclusion of royalties in the tax base dependant on the production of petroleum, natural gas, metal or industrial mineral.	Refund of the tax paid due to the inclusion of royalties in the tax base dependant on the production of petroleum, natural gas, metal or industrial mineral.	The 12% rate is applicable to small businesses. Refund of the tax paid due to the inclusion of royalties in the tax base dependant on the production of petroleum, natural gas, metal or industrial mineral.	8

² The effective rate over the 1976 taxation year will be 31.5%.

TABLE 4. Capital and Gift Taxes and Succession Duties

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 amendments.	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 amendments.	The Gift Tax Act; S.O. 1972, c. 12 and amendments.
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% to 10%. Strangers - 2% to 5%. (60% deduction on duties otherwise payable).	(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 contributions 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

Manitoba	Saskatchewan	Alberta	British Columbia	No.
The Corporation Capital Tax Act; S.M. 1976 c. 68.	—	—	The Corporation Capital Tax Act; S.B.C. 1973, c. 24 and amendments.	1
Paid-up capital of corporations.	—	—	Paid-up capital of corporations.	2
1/2 of 1%	—	—	1/2 of 1%	3
Exempt: close business corporations with paid-up capital under \$100,000; cooperatives, credit unions, family farms and charitable corporations.	—	—	Exempt: close business 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.M. 1972, c. 25 and amendments.	The Gift Tax Act; S.S. 1972, c. 48 and amendments.	—	The Gift Tax Act; S.B.C. 1972, c. 23 and amendments.	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 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	—	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.	9
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.	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 farmer making a gift of real property to a child for use for farming and to spouse for resident. Once-in-a-lifetime exemption for small businesses.	—	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.	10
The Succession Duty Act; S.M. 1972, c. 8-215 and amendments.	The Succession Duty Act; S.S. 1972, c. 124 and amendments.	—	The Succession Duty Act; R.S.B.C. 1960, c. 372 and amendments.	11
Aggregate value of succession.	Aggregate value of succession.	—	Aggregate value of succession.	12
On individual's share in estate: Preferred line - 14% to 50%. Collateral line - 14% to 50%. Strangers - 14% to 50%.	On individual's share in estate: Preferred line - 14% to 50%. Collateral line - 14% to 50%. Strangers - 14% to 50%.	—	On individual's share in estate: Special beneficiaries - 3% to 36%. Collateral line - 8% to 38%. Strangers - 13% to 40%.	13
Estates valued at \$30,000 or less.	Estates valued at \$75,000 or less.	—	Estates valued at \$10,000 or less.	14
\$200,000 if estate is transmitted to preferred successors.	\$250,000 if estate is transmitted to preferred successors.	—	\$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.)	
\$50,000 special exemption for spouse.	\$250,000 special exemptions for spouse.	—	\$25,000 if property is transmitted to collateral beneficiaries.	
An additional \$1,000 for each year that an infirm child is under 71 years of age.	An additional \$1,000 for each year that an infirm child is under 71 years of age.	—	Individual bequests of \$1,000 or less.	
Up to \$25,000 for collateral successors to the extent that the \$250,000 preferred successors exemption has not been fully "used up".	Up to \$50,000 for collateral successors to the extent that the \$150,000 preferred successors exemption has not been fully "used up".	—	\$1,000 if transmitted to employee of deceased.	
Charitable bequest - up to 20% of the aggregate value of property passing at death or any unused portion of the \$250,000 preferred successors exemption.	Bequests to Canadian charitable organizations and to any government in Canada.	—	Charitable bequests up to 10% of net value of estate.	
Bequests to Canadian charitable organizations and to any governments in Canada.	Survivor benefits under the Canada and Quebec Pension Plans.	—	Bequest to the provincial or local governments.	
Survivor benefits under the Canada and Quebec Pension Plans.	Individual bequests of \$2,000 or less.	—		
Individual bequests of \$1,000 or less.		—		
The rate schedule is incremental therefore the effective rate of tax is less than the maximum marginal rate at each level of taxable inheritance.	The rate schedule is incremental therefore the effective rate of tax is less than the maximum marginal rate at each level of taxable inheritance.	—		

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, c. 56 and amendments.	The Revenue Tax Act; R.S.P.E.I. 1974, c. R-14 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. S-10.	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 in the province.	Purchase price of tangible personal property.	Purchase price of tangible personal property.	Purchase price and rent of movable property.
3	Rate	10%	8%	8%	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 and telecommunication services; repair and installation labour; dry cleaning services.	Transient accommodation; telephone service; electricity.	Accommodation; telephone and telecommunication services; repairs.	Telephone, gas, electricity; repairs.
Main 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	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); production equipment and conditioning materials used to produce goods for resale.
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 \$0.20. Certain household goods and equipment; securities; Olympic coins; containers; trailers for resident in Labrador; certain companies purchase, ships' stores.	Sales under \$0.26; funeral caskets; ships' stores; tobacco; settlers' effects; pets; insulating materials; storm windows and doors; alternate energy sources.	Sales under \$0.25 (other than cigarettes and cigars); funeral caskets; settlers' effects; Olympic coins; ships' store; certain explosives.	Sales under \$0.12; tobacco; funeral caskets; certain explosives; ships' stores; settlers' effects; laundry and dry-cleaning services.	Sales under \$0.26; securities; money; tobacco; admissions; fare on transportation system; certain Indian purchases.
15	Comments	—	Liquor purchased through liquor commissions is taxed 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. 412 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 or service.	2
7%	5%	5%	7%	3
Transient accommodation; telephone service including long distance, telegraph; natural and manufactured gas; fixtures rented separately from real property.	Accommodation; telephone (over \$0.45) and other telecommunications; repairing and cleaning; certain printing, photocopying and microfilming.	Lodging; telephone (over \$0.49) 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 (\$5 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; confections; soft drinks; draught beer, natural water.	5
Footwear (less than \$30); 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
Fuel, 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, newspapers and periodicals.	Books, newspapers 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 aircrafts.	-	Vessels of more than 500 gross tons.	13
Sales under \$0.21 except draught beer. Certain works of art; uncancelable 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; thermal insulation material used in existing homes.	Sales under \$0.26 (except liquor); stamps; money; safety equipment; ships' stores; settlers' effects; used furniture (less than \$25); amusement; tobacco.	Sales under \$0.15; money stamps; matches; goods taxed under another Act; tobacco; settlers' effects.	Sales under \$0.15 Ships' stores to commercial vessels over 500 gross tons; X-ray pictures; settlers' effects; containers and labels.	14
Special rate of 10% on liquor, beer, wine and meals over \$5.	Liquor subject to a special rate of 10%.	-	-	15

TABLE 5B. 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. 147 and amendments. The Fuel Oil Tax Act; R.S.N. 1970, c. 145.	The Gasoline Tax Act; R.S.P.E.I. 1974, c. G-3 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. G-3.	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	Gasoline and motive fuel - \$0.27. Fuel oil - \$0.01.	Gasoline - \$0.21. Diesel fuel - \$0.25	Gasoline fuel - \$0.21. Diesel fuel - \$0.27. Aviation fuel - \$0.03.	Gasoline - \$0.20. Diesel fuel - \$0.23. Aviation fuel - \$0.03.	Gasoline - \$0.19. Diesel fuel - \$0.25. Aviation fuel - \$0.03.
4	Comments	Exemptions for gasoline used by governments, by foreign diplomats, in aircraft, in motorized equipment (other than trucks and automobiles) used for agricultural or logging purposes, in sawmills, in fish processing plants, in certain manufacturing plants, in vessels and boats used in trade, in electrical power generating plants, in household appliances, as household 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), manufacturing plants, commercial 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 establishments.	Exemption for marked gasoline. Marked gasoline may be used in vehicles of the federal, provincial and municipal governments 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 tractors 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 consumed in student training programme multiplied by rate of \$0.03 per gallon.	Exemption for petroleum butane and liquified petroleum gas used for heating, solvents and gasoline for chemical use. Exemption for fuel used for commercial vessel or for chemical use; coloured fuel oil used for farm machinery or fishing operations; bunker fuel, crude oil and coloured fuel oil used other than for an internal combustion engine. Full tax refunds are allowed 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 gasoline used by farmers and fishermen), pumps to fight forest fires, and production machinery.

TABLE 5 B. Other Consumption Taxes Levied by Provincial Governments

Ontario	Manitoba	Saskatchewan	Alberta	British Columbia	Yukon Territory	Northwest Territories	No.
The Gasoline Tax Act; S.O. 1973, c. 99. The Motor Vehicle Fuel Tax Act; R.S.O. 1970, c. 282 and amendments.	The Gasoline Tax Act; R.S.M. 1970, c. G-40 and amendments. The Motive Fuel Tax Act; R.S.M. 1970, c. M220 and amendments.	The Fuel Petroleum Products Act; R.S.S. 1965, c. 67 and amendments.	The Fuel Oil Tax Act; R.S.A. 1970, c. 153 and amendments.	Gasoline Tax Act; 1958, R.S.B.C. 1960, c. 163 and amendments. Motive Fuel Use Tax Act; R.S.B.C. 1960, c. 251 and amendments. Fuel Oil Tax Act; R.S.B.C. 1960, c. 158 and amendments.	Fuel Oil Tax Ordinance; O.Y.T. 1973, c. F-11 and amendments.	Petroleum Products Tax Ordinance; R.O.N.T. 1974, c. P-6.	1
Per gallon.	Per gallon.	Per gallon.	Per gallon.	Per gallon.	Per gallon.	Per gallon.	2
Gasoline - \$0.19. Diesel fuel - \$0.25. Aviation fuel - \$0.03.	Gasoline - \$0.18. Diesel fuel - \$0.21. Aviation fuel - \$0.05. Propane - \$0.18. Locomotive diesel fuel - \$0.10.	Gasoline - \$0.15. Diesel fuel - \$0.21. Aviation fuel - \$0.04. Other fuels - \$0.04.	Gasoline - \$0.10. Diesel fuel - \$0.12. Aviation fuel - \$0.03. Coloured gasoline - \$0.03.	Gasoline - \$0.17. Diesel fuel - \$0.19. Aviation fuel - \$0.05. Coloured gasoline - \$0.05. Liquefied petroleum gas - \$0.12. Fuel oil - 1/2 of \$0.01.	Gasoline - \$0.14. Diesel fuel - \$0.16. Aviation fuel - \$0.02. Fuel oil used for heating - \$0.01.	Gasoline - \$0.14. Diesel fuel - \$0.15. Fuel oil - \$0.03. Aviation fuel - \$0.025. Propane and butane - \$0.0225.	3
Exemption for fuel used by federal government and foreign diplomats. Exemptions for farmers, commercial fishermen, fuel used for heating and cooking, industrial, commercial and institutional users, those engaged in road maintenance or construction. A tax relief of \$0.13 per gallon is allowed on gasoline used in off-highway vehicles other than "non-working" motor boats and snow-mobles. Gasoline used in "working" motor boats is eligible for the relief. A full refund of tax is provided on fuel used for industrial and commercial purposes.	Exemptions for coloured gasoline used in farm trucks, agricultural machinery, municipal firefighting equipment and in trapping, fishing and prospecting operations. Exemptions for diesel fuel used in agricultural machinery, municipal firefighting equipment, lighting plants, hospitals, fishing operations and for domestic purposes. Partial or full refund in other circumstances set out in the Act.	Exemptions for fuel used for cooking, lighting, heating and operating domestic appliances. Exemptions for coloured fuels used in farming operations and control chemicals. Exemptions from tax at \$0.15 and \$0.21 (but not from tax at \$0.04) for coloured gasoline used for generating electricity, for city-owned buses, for industrial purposes or by railways and fishermen.	Exemption for fuel used by the federal government and foreign diplomats and certain industrial purposes. Exemption of \$0.03 per gallon for domestic appliances, lighting and heating. Refund of \$0.03 for marked fuel or liquefied petroleum gas used in farming operations. Exemption from \$0.07 gasoline tax and \$0.09 diesel fuel tax for fuel used in aircraft or railway locomotive or designated as unfit for use in motor vehicles and marked fuel used in stationary engines, farmers vehicles or transit buses.	Exemptions for gasoline used by the federal government or taxed as motive-fuel under the "Motive-fuel Use Tax Act" or brought into the Province in supply-tanks under certain conditions. Exemptions for coloured gasoline used in farm trucks and fishing vessels by bona fide farmers and commercial fishermen. Exemptions for Motive-fuel used by the federal government or a bona fide farmer for farming purposes. A refund of \$0.02 per gallon of diesel fuel used in private passenger-vehicle. A refund of \$0.12 per gallon of non-coloured gasoline and \$0.07 per gallon of pollutant-free liquefied petroleum gas and \$0.14 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. Coloured gasoline is restricted to specific uses as determined by law.	No tax is payable in respect of fuel oil used in stationary generators of electricity; in farm equipment; for lubricating purposes, for laying or sprinkling on roads; for use as cleaning fluids or solvents, for medical or pharmaceutical purposes, for heating ore as part of mineral extraction process and for fuel oil sold to Government of Canada or visiting armed forces.	No tax is payable in respect of fuel used by hospitals, municipalities visiting armed forces, for lubricating purposes, for laying or sprinkling on roads or streets, for delivery to D.F.W. stations, or for use as cleaning fluids or solvents.	4

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

No.		Newfoundland	Prince Edward Island	Nova Scotia
	Tobacco taxes			
1	Statutory authority	The Tobacco Tax Act; R.S.N. 1970, c. 374 and amendments.	The Health Tax Act; R.S.P.E.I. 1974, C. H-3 and amendments.	Health Services Tax Act; R.S.N.S. 1967, c. 126 and amendments.
2	Basis	By cigarette; by retail price of cigars; other tobacco products by weight.	By cigarette; by retail price of cigars; other tobacco products by weight.	By cigarette; by retail price of cigars and other tobacco products.
3	Rate	Cigarettes - \$0.01 each. Cigars from: \$0.01 to \$0.04 - \$0.02 each 0.05 " 0.07 - 0.03 " 0.08 " 0.15 - 0.04 " 0.16 " 0.25 - 0.08 " 0.26 " 0.35 - 0.12 " 0.36 " 0.45 - 0.16 " 0.46 up - 0.20 " Other tobacco products \$0.04 per 1/2 oz. unit or part thereof.	Cigarettes - 4/5 of \$0.01 each. Cigars from: \$0.01 to \$0.09 - \$0.01 each 0.10 " 0.15 - 0.02 " 0.16 " 0.21 - 0.03 " 0.22 " 0.27 - 0.04 " 0.28 " 0.33 - 0.05 " 0.34 " 0.39 - 0.06 " 0.40 " 0.45 - 0.07 " 0.46 up - 20% " Other smoking tobacco products \$0.03 per 1/2 oz. or part thereof.	Cigarettes - 1/2 of \$0.01 each. Cigars and other tobacco products - 10%.
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.
	Alcoholic beverage tax			
5	Statutory authority	-	The Health Tax Act; R.S.P.E.I. 1974, c. H-3 and amendments.	-
6	Basis	-	Retail price.	-
7	Rate	-	10%	-
8	Comments	-	-	-

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

New Brunswick	Quebec	Ontario	No.
Tobacco Tax Act; R.S.N.B. 1973, c. T-7.	Tobacco Tax Act; R.S.Q. 1964, c. 72 and amendments.	The Tobacco Tax Act; R.S.O. 1970, c. 463 and amendments.	1
By cigarette, by retail price of cigars; by weight for other tobacco products.	By cigarette; by retail price of cigars and other manufactured tobacco.	By cigarette; by retail price of cigars; by weight for other tobacco products.	2
Cigarettes - 2/5 of \$0.01 each.	Cigarettes - 4/5 of \$0.01 each.	Cigarettes .71 of \$0.01 each.	3
Cigars \$0.01 for each \$0.08 or part thereof. Other tobacco products - \$0.04 per oz. or part thereof.	Cigars from: \$0.05 to \$0.10 - \$0.01 each. \$0.10 up - 25%. Manufactured tobacco - 25% of retail price.	Cigars from: \$0.01 to \$0.07 - \$0.01 each 0.08 " 0.10 - 0.02 " 0.11 " 0.15 - 0.03 " 0.16 " 0.20 - 0.04 " 0.21 up \$0.01 additional tax for each \$0.05 of retail price. Other tobacco products \$0.025 per 1/2 oz. (or part thereof).	
-	No tax levied on raw leaf tobacco or on cigars sold at \$0.05 each, or less.	-	4
-	-	-	5
-	-	-	6
-	-	-	7
-	-	-	8

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

No.		Manitoba	Saskatchewan	Alberta
	Tobacco taxes			
1	Statutory authority	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.
2	Basis	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).
3	Rate	Cigarettes 4/5 of \$0.01 each. Cigars: \$0.06 or less - \$0.02 each 0.07 to \$0.09 - \$0.03 each 0.10 " 0.12 - 0.04 " 0.13 " 0.15 - 0.05 " 0.16 " 0.18 - 0.06 " 0.19 " 0.21 - 0.07 " 0.22 " 0.24 - 0.08 " 0.25 " 0.30 - 0.10 " 0.31 " 0.36 - 0.13 " 0.37 " 0.48 - 0.16 " Over \$0.48 - \$0.20 each	Cigarettes - 3/5 of \$0.01 each. Cigars: \$0.10 or less - \$0.01 each \$0.11 to \$0.20 - \$0.02 each Over \$0.20 - \$0.04 each Other tobacco \$0.02 per 1/2 oz. or fraction thereof.	Cigarettes - 8/25 of \$0.01 each Cigars: \$0.07 or less - \$0.01 each \$0.08 to \$0.15 - \$0.02 each 0.16 " 0.22 - 0.03 " 0.23 " 0.32 - 0.05 " 0.33 " 0.42 - 0.07 " Over \$0.42 - \$0.09 each Tobacco \$0.02 per 1/2 oz. or fraction thereof.
4	Comments	Other tobacco products - \$0.04 per 1/2 oz.	-	-
	Alcoholic beverage tax			
5	Statutory authority	-	-	-
6	Basis	-	-	-
7	Rate	-	-	-
8	Comments	-	-	-

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

British Columbia	Yukon Territory	Northwest Territories	No.
The Cigarette and Tobacco Tax Act, S.B.C. 1971, c. 7.	Tobacco Tax Ordinance; (First session): 1976, c. 9.	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 tobacco products.	By cigarette and retail price of cigars.	2
Cigarettes - 12/25 of \$0.01 each.	Cigarettes - 3/5 of \$0.01 each.	Cigarettes 8/25 of \$0.01 each.	3
Cigars:	Cigars:	Cigars:	
\$0.07 or less - \$0.01 each	\$0.05 or less - \$0.01 each	\$0.07 or less - \$0.01 each	
\$0.08 to \$0.15 - \$0.02 each	\$0.06 to \$0.10 - \$0.02 each	\$0.08 to \$0.15 - \$0.02 each	
0.16 " 0.22 - 0.03 "	0.11 " 0.15 - .03 "	0.16 " 0.22 - 0.03 "	
0.23 " 0.32 - 0.05 "	0.16 " 0.20 - 0.04 "	0.23 " 0.32 - 0.05 "	
0.33 " 0.42 - 0.07 "	0.21 " 0.30 - 0.06 "	0.33 " 0.42 - 0.07 "	
Over \$0.42 - \$0.09 each	0.31 " 0.40 - 0.08 "	Over \$0.42 - \$0.09 each	
Other tobacco products \$0.02 per 1/2 oz. or part thereof.	Over \$0.40 - \$0.10 each Other tobacco products \$0.03 per 1/2 oz. or part thereof.		
		-	4
	Liquor Tax Ordinance: O.Y.T. 1976, c. 3.	-	5
	By the bottle or gallon.	-	6
	\$0.80 for each bottle of spirits. \$0.80 for each bottle of fortified wine. \$0.20 for each bottle of table wine. \$0.10 for each dozen bottles of beer. \$0.10 for 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; S.Q. 1965, c. 28.
2	Basis	—	—	Toll charge on long- distance telephone calls.	—	Price of telecommunica- tion.
3	Rate	—	—	\$0.07 for each \$0.50 toll charge or part there- of.	—	8%
4	Comments	—	—	Tolls under \$0.25 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. 73 and amendments.
6	Basis	—	—	—	—	On meals priced \$2.00 and over, on alcoholic bever- ages, 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 — Continued

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

TABLE 6. Miscellaneous Provincial Levies

No.		Newfoundland	Prince Edward Island	Nova Scotia	New Brunswick	Quebec
Amusement taxes						
1	Statutory authority	—	The Entertainments Act; R.S.P.E.I. 1974, c. E-7 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. T-5.	Amusement Tax Act; R.S.Q. 1964, c. 76.
2	Basis	—	Admission price.	Admission price.	Admission price.	Admission price.
3	Rate	—	From: \$0.61 — \$0.80 . \$0.07 \$0.81 — \$1.00 . \$0.10 over — \$1.00 . \$0.10 plus \$0.05 extra for each additional \$0.50 or fraction thereof. Season ticket — 10% of selling price. Pass or complimentary ticket \$0.10	From: \$0.56 — \$0.70 . \$0.05 \$0.71 — \$1.00 . \$0.10 over — \$1.00 . \$0.05 extra for each additional \$0.50 or fraction thereof.	Theatre rates: Up to \$0.25 \$0.02 From \$0.25 to \$0.30 . \$0.03 " \$0.31 " \$0.40 . \$0.04 " \$0.41 " \$0.45 . \$0.05 " \$0.46 " \$0.50 . \$0.06 " \$0.51 " \$0.60 . \$0.07 " \$0.61 " \$0.70 . \$0.08 " \$0.71 " \$0.80 . \$0.09 " \$0.81 " \$0.90 . \$0.10 " \$0.91 " \$1.00 . \$0.11 over \$1.00 . . 11% Pass \$0.10 Other amusements rates: Up to \$0.25 \$0.02 from \$0.26 to \$0.50 . \$0.05 from \$0.51 to \$1.00 . \$0.10 and \$0.05 for each additional \$0.50 or fraction thereof in excess of \$1.	10%
4	Exemptions	—	Church, school and municipal functions; certain other amateur or private functions.	Religious, educational or charitable functions.	School entertainment; agricultural fairs; religious, educational or charitable functions.	Consolidated, 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; R.S.P.E.I. 1974, c. E-7 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. T-5.	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 9½% 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 \$0.05 per person at other races.

TABLE 6. Miscellaneous Provincial Levies

Ontario	Manitoba	Saskatchewan	Alberta	British Columbia	Yukon Territory	Northwest Territories	No.
The Retail Sales Tax; R.S.O. 1970, c. 415 and amendments.	-	-	See: Race track tax.	-	-	-	1
Admission price.	-	-	-	-	-	-	2
From: \$0.76 to \$0.84, \$0.06 \$0.85 to \$0.90, \$0.07 \$0.91 & \$0.92, \$0.08 \$0.93 & over, . . . 10%	-	-	-	-	-	-	3
Religious, charitable or educational institutions (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, c. P 12.	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
-	1½% 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. Miscellaneous Provincial Levies -- 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; R.S.P.E.I. 1974, c. P-18 and amendments.	Insurance Premiums Tax Act; R.S.N.S. 1967, c. 149.	Premium Tax Act; R.S.N.B. 1973, c. P-15.	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; R.S.P.E.I. 1974, c. F-7 and amendments.	Fire Prevention Act; R.S.N.S. 1967, c. 107 and amendments.	Fire Prevention Act; R.S.N.B. 1973, c. F-13.	Fire Prevention Act; R.S.Q. 1964 c. 187 and amendments.
6	Basis	Premiums charged.	Gross premiums.	Gross property insurance premium income.	Premium income.	Premium income.
7	Rate	7%	3/4 of 1%	3/4 of 1%	1%	1/4%
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.	—	Exemption for premiums on marine insurance and annuity contracts.	—	—

TABLE 6. Miscellaneous Provincial Levies - 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.	Insurance Premium Tax Ordinance; O.Y.T. 1976, c. 2.		1
(b) The 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.	Gross Premiums.		2
(b) Gross premiums or reciprocal or inter-insurance exchanges.				(b) Premiums paid to unlicensed insurer or reciprocal exchange.			
3%	2%	2%	2%	(a) 2% (b) 5%	2%		3
Additional 1/2% of 1% on property insurance.	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.	Exemptions for marine insurance and annuity contracts.		4
-	-	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. F-5.		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. Miscellaneous Provincial Levies - 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) \$0.50 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. Miscellaneous Provincial Levies - 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; R.S.P.E.I. 1974 c. H-6 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. M-17.	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.	(a) Weight of the vehicle.	(a) Per 100 lb. vehicle weight.	(a) Per lb. of weight of motor vehicle.	(a) Per lb. of vehicle weight.	(a) Number of cylinders for passenger vehicles; weight for commercial vehicles.
		(b) Operator.	(b) Operator.	(b) Operator.	(b) Operator.	(b) Operator.	(b) Operator.
		(c) Chauffeur.	(c) Chauffeur.	(c) Chauffeur.	(c) Chauffeur.	(c) Chauffeur.	(c) Chauffeur.
3	Rate	(a) 1. Passenger vehicles: Up to 4,000 lb. - \$30. 4,001 lb. and over - \$40. 2. Commercial vehicles: From \$27 (up to 4,000 lb.) to \$1,205 (79,001 - 80,000 lb.) (b) Operator's licence - \$15 (for three years). (c) Chauffeur's licence - \$15 (for three years).	(a) 1. Passenger vehicles: Not more than 2,049 lb. - \$20. Over 2,049 lb. up to and including 4,949 lb. - \$1 per 100 lb. 4,950 lb. and over - \$50. 2. Commercial vehicles: From \$14 (up to 3,000 lb.) to \$1,267 (110,500 lb.) (b) Operator's licence - \$6 (annually) (c) Chauffeur's licence - \$7 (annually)	(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 (for three years). (c) Chauffeur's licence - \$7 (one year).	(a) 1. Passenger vehicles: \$0.01 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 (for two years). (c) Chauffeurs licence - \$4 plus a \$6 unsatisfied judgement fee (for two years).	(a) 1. Passenger vehicles: 3,000 lb. portion - \$0.01 per lb. 3,000 lb. to 4,000 lb. portion - \$0.02 per lb. each pound greater than 4,000 lb. - \$0.03 per lb. 2. Commercial vehicles: \$50 up to 15,000 lb. and \$100 above 15,000 lb. (b) Operator's licence - \$6 (for two years). (c) Chauffeur's licence - \$6 (for two years).	(a) 1. Passenger vehicles: 4 cylinders or less - \$23. 6 cylinders - \$32. 8 cylinders - \$43. 2. Commercial vehicles: From \$33 (up to 5,000 lb.) to \$2,021 (139,501 to 140,000 lb.) (b) Operator's licence - \$9 (for three years). (c) Chauffeur's licence - \$9 (for three years).
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 one 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. Miscellaneous Provincial Levies - Continued

Manitoba	Saskatchewan	Alberta	British Columbia	Yukon Territory	Northwest Territories	No.
The Highway Traffic Act; R.S.M. 1970, c. H60 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. M-11 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 for passenger vehicle; weight of commercial vehicles.	(a) Flat rate for passenger vehicles; weight of commercial vehicles. Rate related to Area of operation. Region I: Mackenzie Highway System. Region II: District of Mackenzie North of Arctic Circle and west of 128th Meridian. Region III: Remainder of Territories.	2
(b) Driver.	(b) Operator.	(b) Operator.	(b) Operator.	(b) Operator.	(b) Operator.	
(c) Chauffeur.	(c) Chauffeur.				(c) Chauffeur.	
(a) 1. 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 \$0.30 on all registrations for the Unsatisfied Judgement 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: From \$5 (up to 500 lb.) to \$58 (6,001 to 7,000 lbs.) Plus first registration fee of \$1.	(a) 1. \$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: Region I: \$15. Region II: \$10. Region III: \$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.). \$25 per 2,000 lb. when in excess of 74,000 lb.	2. Commercial vehicles: From \$50 (up to 10,000 lb.) to \$1,120 (124,001 to 126,000 lb.).	2. Commercial vehicles: Region I: From \$30 to \$60 (up to 10,000 lb.) and \$5 for every additional 1,000 lb. Region II: From \$20 to \$40 (up to 10,000 lb.) and \$3 for every additional 1,000 lb. Region III: From \$10 to \$20 (up to 10,000 lb.) and \$1 for every additional 1,000 lb.	
(b) Operator's licence - \$6. (for two years).	(b) Operator's licence - \$2. (for one year).	(b) Operator's licence - \$10. (for five years).	(b) Operator's licence - \$5. (for five years).	(b) Operator's licence - \$3. (for one year).	(b) Operator's licence - \$2. (for one year).	
(c) Chauffeur's licence - \$8. (for two years).	(c) Chauffeur's licence - \$3. (for one year).				(c) Chauffeur's licence - \$3. (for one year).	
(a) 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
(b) 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. Miscellaneous Provincial Levies - 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; S.Q. 1970, c. 37 and amendments.	The Health Insurance Act; S.O. 1972, c. 91.
2	Basis	-	-	-	-	(a) Employer: Salary paid. (b) Employee: Net income.	Monthly premiums.
3	Rate	-	-	-	-	1.5% ¹ (June 1, 1976)	Single \$16 Family \$32
4	Comments	-	-	-	-	The maximum contribution payable by an employee is \$235 and \$375 for a self employed individual.	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	-	-	-	-	Immoveable property transfer duties.	Professional boxing and wrestling events
6	Statutory authority	-	-	-	-	Supplementary Information 1976-77 Budget Speech.	The Amateur Games Act; R.S.O. 1970, c. 23.
7	Basis	-	-	-	-	Value of immoveable property transferred to non-residents.	Gross receipts of professional boxing and wrestling events.
8	Rate	-	-	-	-	33%	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 speculation Tax Act; 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.

¹ The effective rate over the 1976 taxation year will be 1.2%

TABLE 6. Miscellaneous Provincial Levies — 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. 11-1.	—	1
—	—	Annual premiums.	Monthly premiums.	Monthly premiums.	—	2
—	—	Single \$ 76.80 Family \$153.60 A \$5 non-insurable registration fee is levied.	Single \$ 7.50 Family of two \$15.00 Family of three or more \$18.75	Single \$ 4.75 Family of two \$ 9.25 Family of three or more \$11.00	—	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 I); R.S.M. 1970, c. R-140 and amendments.	The Motor Vehicle Insurance Premiums Tax Act; R.S.S. 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. F-12 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.	—	Per pelt exported.	Per pelt exported.	7
5%	1%	1/15 of \$0.01 per passenger mile on hard surface roads; 2/45 of \$0.01 per passenger mile on gravel roads.	—	Various rates.	\$1	8
Domestic purchase of taxable product used for heating dwelling are exempt.	—	—	—	Rates are established by regulations with a range from \$0.01 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 GOVERNMENT

The principal revenue available to municipalities from 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 which accounted for 67% of own source revenue in 1975, followed by business taxes (6%) and special assessment taxes including local improvements charges (3%).¹

Real Property Tax

Generally the taxation of real property at the local level is governed by provincial legislation. Such legislation empowers municipal councils to levy real property taxes for their own direct revenue requirements and obligates them to levy real property taxes for the revenue requirements of other local government entities, which are also governed by provincial statutes, such as school boards, county or regional governments and special authorities (e.g., Conservation Authorities or Regional Health Units in Ontario, or Regional Hospital Boards in British Columbia).

In some provinces, however, bodies other than Municipal Councils have taxing authority in their own right. In Newfoundland, for example, School Tax Authorities levy and collect school taxes; in Prince Edward Island and New Brunswick regional school boards may levy property taxes to supplement the provincial educational program (this authority has not been used to date). In Quebec school boards are empowered to levy a real property tax which they may collect directly or they may employ the municipality as their collecting agency. In British Columbia district school boards in non-municipally organized areas set the rates of real property taxes for school purposes but collections are made by the province.

The real property tax rate is generally expressed in mills (an amount per \$1,000 of the base) or in dollars (an amount 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 government.

For reasons such as these, specific rates are not reported in this publication. However, the main aspects of the real property tax are set out in Table 7.

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 own sources. There are numerous bases upon which business taxes are imposed, among which 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, the part 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 basis for business tax by all municipalities in New Brunswick, Manitoba, Alberta and British Columbia, cities and towns in Quebec and cities in 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 value 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 determine the tax base. This type of 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 used in Saskatchewan, the Yukon 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 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 usually relate 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 consisting of either a charge related to 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 costs of the service or a special rate against the assessed value of real property.

The second type of levies, local improvement charges, are established chiefly for financing specific new undertakings (e.g., sidewalks, sewers, water mains, roads, etc.) and 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 while, in other instances, all ratepayers of the municipality are taxed although they may not benefit directly from the related undertaking. In addition, the base upon which costs are distributed may take various forms, such as the total or a portion of the real property assessed value, land area or frontage on streets.

The wide variety of existing arrangements makes interprovincial comparisons of the above-described taxes impractical.

¹ For further information on the importance of real property taxes in municipal revenue, refer to *Local Government Finance*, Catalogue 68-203.

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; R.S.P.E.I. 1974 c. R-5 and amendments.</p> <p>(b) Real Property Tax Act; R.S.P.E.I. 1974, c. R-6 and amendments.</p> <p>(c) The School Act; R.S.P.E.I. 1974, c. S-2 and amendments.</p>	<p>(a) The Assessment Act; R.S.N.S. 1967, C. A-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. A-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; R.S.O. 1970, c. 370 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 considered either as commercial realty or non-commercial realty.</p> <p>(b) Additional farm assessment based on economic factors determined by regulations.</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 \$0.21 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>(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>(d) Determined and levied by the province on value of taxable land.</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.</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. P250 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. 329 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>(a) 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>(c) 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>(b) Determined by municipal councils for general purposes.</p> <p>(d) 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>(f) School tax levied and collected in unorganized areas by the resident administrator at a rate determined by him.</p> <p>(e) 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 of school boards.</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 32 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 - Concluded

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; hospitals.</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; bomb shelter. 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 private schools; property owned by scientific, literary and historical societies; real property owned by charitable organizations or used by voluntary fire associations; real property to the extent of one acre of land used as resident by a self supporting wife with an income of less than \$5,000 where the assessed value does not exceed \$25,000 (maximum exemption \$4,000).</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 years or over are exempt from property tax.</p> <p>Persons aged 65 years or over, widow, unmarried woman or deserted wife 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>(a) 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.
<p>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.</p> <p>Exemptions from school taxes only:</p> <p>lands and buildings of old age home, agricultural societies, colleges and seminaries, charitable institutions, Y.M.C.A., Y.W.C.A., Y.M.H.A., municipal buildings for community purposes; buildings of veteran's association of World War I and II and museums when owners are incorporated and registered as a charitable organization.</p>	<p>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.</p>	<p>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.</p>	<p>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.</p>	<p>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.</p>	<p>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.</p>	4
		<p>Pipelines, electric works and transmission lines are assessed under the <i>Electric Power and Pipe Line Assessment Act</i>; R.S.A. 1970, c. 119 and amendments.</p>	<p>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.</p>	<p>A school tax is levied by the territorial government on the assessed value of real property outside a municipality's boundaries.</p> <p>There is a basic rate of school tax determined by the territorial commissioner, collected by the municipalities and paid to the territorial treasurer.</p>	<p>In hamlet an education tax is levied on the assessed value of all lands by the territorial government.</p>	5

PART IV

HISTORICAL TABLES OF THE MOST IMPORTANT TAXES

TABLE I. Personal Income Taxes Levied by the Federal Government, 1966 to 1976

1966	1969
RATES "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	RATES Same as 1968 except for the imposition of a social development tax equal to 2% of taxable income (maximum \$120). EXEMPTIONS AND DEDUCTIONS Same as 1966. TAX ABATEMENTS, REDUCTIONS AND CREDITS Same as 1967.
RATES Old age security tax: 4% of taxable income (maximum \$120). 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.	RATES Same as 1969. EXEMPTIONS AND DEDUCTIONS Same as 1966 except that the old age exemption of \$500 is restricted to persons 70 years of age and over. TAX ABATEMENTS, REDUCTIONS AND CREDITS Same as 1967.
EXEMPTIONS AND DEDUCTIONS Married taxpayer \$2,000 Single taxpayer 1,000 Dependant child under 16 years of age 300 Other dependants 550 Taxpayer aged 65 years or over 500 Charitable donations and medical expenses: standard deduction of \$100 or Charitable donations: Up to 10% of income. Medical expenses: Over 3% of income. Union or professional dues: No restriction.	RATES "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
TAX ABATEMENTS, REDUCTIONS AND CREDITS Increase in the abatement in favour of the provinces to 21% for all provinces and to 44% for Quebec, (the additional 23 percentage points in Quebec are in respect of fiscal compensation for opting out of certain federal-provincial shared cost programs). Tax reduction equal to the sum of 4% of "basic" personal income tax (maximum \$240) and 12% of "basic" personal income tax (maximum \$12). Credit for dividends from Canadian corporations: 20% of the amount of dividends received.	EXEMPTIONS AND DEDUCTIONS Old age security tax: 4% of taxable income (maximum \$240). The social development tax is reduced to 2% of taxable income in excess of \$1,000 (maximum \$100). The surtax on basic personal income tax in excess of \$200 is reduced to 1 1/2%. Tax on investment income from sources outside Canada: Same as 1966. EXEMPTIONS AND DEDUCTIONS 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. TAX ABATEMENTS, REDUCTIONS AND CREDITS Same as 1967 except for the repeal of the "basic" personal income tax reduction of 20% (maximum \$20).
RATES Same as 1966 except for an increase from \$120 to \$240 for the maximum old age security tax payable.	RATES "Basic" personal income tax (as revised in 1971 for 1972 taxation year): 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
EXEMPTIONS AND DEDUCTIONS Same as 1966.	EXEMPTIONS AND DEDUCTIONS Same as 1967.
TAX ABATEMENTS, REDUCTIONS AND CREDITS Increase in the abatement in favour of the province to 28% for all provinces other than Quebec, and 50% in Quebec. The tax reductions of the previous year are changed to a single reduction equal to 20% of "basic" personal income tax (maximum \$20). The credit for dividends from Canadian corporations remains at 20% of the amount of dividends received.	TAX ABATEMENTS, REDUCTIONS AND CREDITS Same as 1967.

TABLE I. Personal Income Taxes Levied by the Federal Government, 1966 to 1976 - Concluded

1972	1974
PERSONAL EXEMPTIONS Married taxpayer \$2,850 Single taxpayer 1,500 Dependant child under 16 years of age 300 Other dependants 550 Taxpayer aged 65 years or over 1,000 DEDUCTIONS Charitable donations up to 20% of net 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. \$1,000 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. Non-capital losses sustained in any of the five preceding years, net capital losses up to the amount 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. 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 spring-out of certain shared-cost programs. A general 3% reduction of basic federal tax (minimum of \$200 and maximum of \$500). A credit for dividends from Canadian corporations. (The amount of dividends received is increased by 33 1/3% 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 is applicable to foreign non-business income and income from business earned 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. SURTAX 50% 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.	PERSONAL EXEMPTIONS Married taxpayer \$3,198 Single taxpayer 1,706 Dependant child under 16 years of age 320 Other dependants (as defined by law) 586 Taxpayer aged 65 years or over 1,066 DEDUCTIONS \$1,066 for blind persons or persons confined to a bed or wheelchair. Interest income up to \$1,000. Home Ownership Savings Plan. TAX REDUCTIONS AND CREDIT A portion of political contributions to registered parties and candidates up to a maximum of \$500. SURTAX Same as 1972.
1973 RATES 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% " " 2,000 775 " 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 PERSONAL EXEMPTIONS Married taxpayer \$3,000 Single taxpayer 1,600 Other personal exemption: Same as 1972. DEDUCTIONS Same as 1972. TAX REDUCTIONS AND CREDIT A general 5% reduction of basic federal tax (minimum reduction \$100, maximum \$500) replaces the 3% reduction of 1972. SURTAX Same as 1972.	1975 RATES 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 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 1,174 DEDUCTIONS \$1,174 for blind persons or persons confined to a bed or wheelchair. Interest and Canadian dividend income up to \$1,000. \$1,000 for pension income other than from universal pension plans. TAX REDUCTIONS AND CREDIT A general 8% reduction of basic federal tax (minimum reduction \$200, maximum \$500) replaces the 5% reduction of 1973. SURTAX Same as 1972.
1974 RATES 12% on the first \$500 of taxable income \$ 60 on \$ 500 plus 18% on next \$ 500 160 " 1,066 " 19% " " 1,066 362 " 2,132 " 20% " " 1,066 578 " 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% " " 22,386 23,227 " 63,960 " 47% " excess PERSONAL EXEMPTIONS Married taxpayer \$3,921 Single taxpayer 2,091 Dependant child under 16 years of age 392 Other dependants (as defined by law) 719 Taxpayer aged 65 years or over 1,307 DEDUCTIONS \$1,307 for blind persons or persons confined to a bed or wheelchair. TAX REDUCTIONS AND CREDIT Same as 1975. SURTAX 10% on personal income tax payable exceeding \$8,000.	1976 RATES 6% on the first \$654 of taxable income \$ 39 on \$ 654 plus 18% on next \$ 653 157 " 1,307 " 19% " " 1,307 405 " 2,614 " 20% " " 1,307 667 " 3,921 " 21% " " 2,614 1,216 " 6,535 " 23% " " 2,614 1,817 " 9,149 " 25% " " 2,614 2,470 " 11,763 " 27% " " 2,614 3,176 " 14,377 " 31% " " 3,921 4,392 " 18,298 " 35% " " 13,070 8,966 " 31,368 " 39% " " 19,605 16,612 " 50,973 " 43% " " 27,447 28,414 " 78,420 " 47% " on excess PERSONAL EXEMPTIONS Married taxpayer \$3,921 Single taxpayer 2,091 Dependant child under 16 years of age 392 Other dependants (as defined by law) 719 Taxpayer aged 65 years or over 1,307 DEDUCTIONS \$1,307 for blind persons or persons confined to a bed or wheelchair. TAX REDUCTIONS AND CREDIT Same as 1975. SURTAX 10% on personal income tax payable exceeding \$8,000.

TABLE II. Personal Income Taxes Levied by the Province of Quebec, 1966 to 1976

1966	1967																				
<p>RATES</p> <p>5.2% on first \$1,000 of taxable income</p> <p>\$ 52 on \$ 1,000 plus 6.6% on next \$ 1,000</p> <p>118 " 2,000 " 8.0% " " 1,000</p> <p>198 " 3,000 " 8.9% " " 1,000</p> <p>287 " 4,000 " 10.3% " " 2,000</p> <p>493 " 6,000 " 12.2% " " 2,000</p> <p>737 " 8,000 " 14.1% " " 2,000</p> <p>1,019 " 10,000 " 16.5% " " 2,000</p> <p>1,349 " 12,000 " 18.8% " " 3,000</p> <p>1,913 " 15,000 " 21.2% " " 10,000</p> <p>4,033 " 25,000 " 23.5% " " 15,000</p> <p>7,558 " 40,000 " 25.9% " " 20,000</p> <p>12,738 " 60,000 " 28.2% " " 30,000</p> <p>21,198 " 90,000 " 30.6% " " 35,000</p> <p>31,908 " 125,000 " 32.9% " " 100,000</p> <p>64,808 " 225,000 " 35.3% " " 175,000</p> <p>126,583 " 400,000 " 37.6% " remainder</p> <p>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.</p> <p>EXEMPTIONS AND DEDUCTIONS</p> <p>Married taxpayer \$2,000</p> <p>Single taxpayer 1,000</p> <p>Dependant child under 16 years of age 300</p> <p>Other dependants 550</p> <p>Taxpayers aged 65 years of age or over 500</p> <p>Other deductions: Similar to federal income tax deductions in Table I.</p> <p>TAX CREDIT</p> <p>Credit for dividends received from Canadian corporations equal to 45% of the federal credit.</p>	<p>EXEMPTIONS AND DEDUCTIONS</p> <p>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).</p> <p>Low income: No tax is payable if income does not exceed \$2,000 if single or \$4,000 if married.</p> <p>Other exemptions and deductions: Same as 1966</p> <p>TAX CREDIT</p> <p>The credit for dividends from Canadian corporations is increased to 50% of the corresponding federal credit.</p> <tr> <td colspan="2">1968</td></tr> <tr> <td colspan="2"> <p>RATES</p> <p>Same as 1967 except for the imposition of a 6% surtax on the provincial personal income tax.</p> <p>EXEMPTIONS AND DEDUCTIONS</p> <p>Same as at July 1, 1967.</p> <p>TAX CREDIT</p> <p>Same as 1967.</p> </td></tr> <tr> <td colspan="2">1969</td></tr> <tr> <td colspan="2"> <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> </td></tr> <tr> <td colspan="2">1970</td></tr> <tr> <td colspan="2"> <p>RATES</p> <p>Same as 1968 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> </td></tr> <tr> <td colspan="2">1971</td></tr> <tr> <td colspan="2"> <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> </td></tr> <tr> <td>1967</td><td>1971</td></tr> <tr> <td> <p>RATES</p> <p>5.5% on first \$1,000 of taxable income</p> <p>\$ 55 on \$ 1,000 plus 7.0% on next \$ 1,000</p> <p>125 " 2,000 " 8.5% " " 1,000</p> <p>210 " 3,000 " 9.5% " " 1,000</p> <p>305 " 4,000 " 11.0% " " 2,000</p> <p>525 " 6,000 " 13.5% " " 2,000</p> <p>785 " 8,000 " 15.0% " " 2,000</p> <p>1,085 " 10,000 " 17.5% " " 2,000</p> <p>1,435 " 12,000 " 20.0% " " 3,000</p> <p>2,035 " 15,000 " 22.5% " " 10,000</p> <p>4,285 " 25,000 " 25.0% " " 15,000</p> <p>8,035 " 40,000 " 27.5% " " 20,000</p> <p>13,535 " 60,000 " 30.0% " " 30,000</p> <p>22,535 " 90,000 " 32.5% " " 35,000</p> <p>33,910 " 125,000 " 35.0% " " 100,000</p> <p>68,910 " 225,000 " 37.5% " " 175,000</p> <p>134,535 " 400,000 " 40.0% " remainder</p> <p>Tax on investment income: Rate increased to 2%; same base as 1966.</p> </td><td> <p>RATES</p> <p>Same as 1968 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> </td></tr>	1968		<p>RATES</p> <p>Same as 1967 except for the imposition of a 6% surtax on the provincial personal income tax.</p> <p>EXEMPTIONS AND DEDUCTIONS</p> <p>Same as at July 1, 1967.</p> <p>TAX CREDIT</p> <p>Same as 1967.</p>		1969		<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>		1970		<p>RATES</p> <p>Same as 1968 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>		1971		<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>		1967	1971	<p>RATES</p> <p>5.5% on first \$1,000 of taxable income</p> <p>\$ 55 on \$ 1,000 plus 7.0% on next \$ 1,000</p> <p>125 " 2,000 " 8.5% " " 1,000</p> <p>210 " 3,000 " 9.5% " " 1,000</p> <p>305 " 4,000 " 11.0% " " 2,000</p> <p>525 " 6,000 " 13.5% " " 2,000</p> <p>785 " 8,000 " 15.0% " " 2,000</p> <p>1,085 " 10,000 " 17.5% " " 2,000</p> <p>1,435 " 12,000 " 20.0% " " 3,000</p> <p>2,035 " 15,000 " 22.5% " " 10,000</p> <p>4,285 " 25,000 " 25.0% " " 15,000</p> <p>8,035 " 40,000 " 27.5% " " 20,000</p> <p>13,535 " 60,000 " 30.0% " " 30,000</p> <p>22,535 " 90,000 " 32.5% " " 35,000</p> <p>33,910 " 125,000 " 35.0% " " 100,000</p> <p>68,910 " 225,000 " 37.5% " " 175,000</p> <p>134,535 " 400,000 " 40.0% " remainder</p> <p>Tax on investment income: Rate increased to 2%; 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<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>																					
1967	1971																				
<p>RATES</p> <p>5.5% on first \$1,000 of taxable income</p> <p>\$ 55 on \$ 1,000 plus 7.0% on next \$ 1,000</p> <p>125 " 2,000 " 8.5% " " 1,000</p> <p>210 " 3,000 " 9.5% " " 1,000</p> <p>305 " 4,000 " 11.0% " " 2,000</p> <p>525 " 6,000 " 13.5% " " 2,000</p> <p>785 " 8,000 " 15.0% " " 2,000</p> <p>1,085 " 10,000 " 17.5% " " 2,000</p> <p>1,435 " 12,000 " 20.0% " " 3,000</p> <p>2,035 " 15,000 " 22.5% " " 10,000</p> <p>4,285 " 25,000 " 25.0% " " 15,000</p> <p>8,035 " 40,000 " 27.5% " " 20,000</p> <p>13,535 " 60,000 " 30.0% " " 30,000</p> <p>22,535 " 90,000 " 32.5% " " 35,000</p> <p>33,910 " 125,000 " 35.0% " " 100,000</p> <p>68,910 " 225,000 " 37.5% " " 175,000</p> <p>134,535 " 400,000 " 40.0% " remainder</p> <p>Tax on investment income: Rate increased to 2%; same base as 1966.</p>	<p>RATES</p> <p>Same as 1968 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>																				

TABLE II. Personal Income Taxes Levied by the Province of Quebec, 1966 to 1976 — Concluded

1972	1974
<p>CHANGE 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>Same as 1972.</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>830 " 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>EXEMPTIONS</p> <p>Interest income \$1,000</p> <p>Tax payer aged 65 years of age or over. 1,000</p> <p>Low income: No tax is payable if income does not exceed \$2,600 if single or \$5,200 if married. 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. All other exemptions remain unchanged from 1972.</p>
<p>TAX CREDIT</p> <p>Same as 1972.</p>	<p>TAX CREDIT</p> <p>Same as 1972.</p>
<p>Health insurance tax: 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>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 AND DEDUCTIONS</p> <p>Married taxpayer \$2,850</p> <p>Single taxpayer 1,500</p> <p>Child 16 years of age and over dependant on taxpayer. 550</p> <p>Taxpayer aged 65 years of age or over 650</p> <p>Low income: No tax is payable if income does not exceed \$2,000 if single or \$4,000 if married.</p> <p>Employment expenses: 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>Other deductions: Union or professional dues: No restriction. Charitable donations: Up to 10% 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>EXEMPTIONS</p> <p>Married taxpayer \$3,500</p> <p>Single taxpayer 1,600</p> <p>Employment expense. 500</p> <p>Interest and dividend income 1,000</p> <p>Low income: 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. All other exemptions remained unchanged from 1972.</p>
<p>TAX CREDIT</p> <p>Credit for dividends from Canadian corporations: 50% of corresponding federal credit.</p>	<p>TAX CREDIT</p> <p>Same as 1972.</p>
1973	1976
<p>RATES</p> <p>Same as 1972.</p>	<p>RATES</p> <p>Health insurance tax: 1.5% of net income (maximum: \$235 if at least 3/4 of net income is salary, or \$375 otherwise).</p>
<p>EXEMPTIONS</p> <p>Low income: No tax is payable if income does not exceed \$2,500 if single or \$5,000 if married. All other exemptions remain unchanged from 1972.</p>	<p>EXEMPTIONS</p> <p>Same as 1975.</p>
<p>TAX CREDIT</p> <p>Same as 1972.</p>	<p>TAX CREDIT</p> <p>Same as 1972.</p>

TABLE III. Personal Income Taxes Levied by the Provinces Other than Quebec, 1966 to 1976

No.	Province	1966	1967	1968	1969	1970
1	Newfoundland	24%	28%	Same as 1967	33%	Same as 1969
2	Prince Edward Island	24%	28%	Same as 1967	Same as 1967	Same as 1967
3	Nova Scotia	24%	28%	Same as 1967	Same as 1967	Same as 1967
4	New Brunswick	24%	28%	Same as 1967	38% (Effective April 1)	Same as April 1, 1969
5	Ontario	24%	28%	Same as 1967	Same as 1967	Same as 1967
6	Manitoba	29%	33%	Same as 1967	Same as 1967	39%
7	Saskatchewan	29%	33%	Same as 1967	Same as 1967	34%
8	Alberta	24%	28%	Same as 1967	33% (Effective July 1)	Same as July 1, 1969
9	British Columbia	24%	28%	Same as 1967	Same as 1967	Same as 1967

TABLE IV. Federal and Provincial Corporation Income Taxes, 1966 to 1976

No.	Government	1966	1967	1968	1969	1970
1	Canada ¹	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. Dividend income. Exempt.	Same as 1966.	Same as 1966 except for imposition of 3% surtax on tax other than old age security tax.	Same as 1968.	Same as 1968.

See footnote(s) at end of table.

TABLE III. Personal Income Taxes Levied by the Provinces Other than Quebec, 1966 to 1976

1971	1972	1973	1974	1975	1976	No.
Same as 1969	36.0 %	Same as 1972	40.0% (Effective July 1)	Same as 1974	42% (Effective July 1)	1
33% (Effective July 1)	36.0 %	Same as 1972	Same as 1972	Same as 1972	Same as 1972	2
Same as 1967	38.5 %	Same as 1972	Same as 1972	Same as 1972	Same as 1972	3
Same as April 1, 1969	41.5 %	Same as 1972	Same as 1972	Same as 1972	40.6%	4
27.5%	29.585%	30.5%	Same as 1973	Same as 1973	Same as 1973	5
Same as 1970	42.5 %	Same as 1972	Same as 1972	Same as 1972	Same as 1972	6
Same as 1970	37.0 %	40.0%	Same as 1973	Same as 1973	Same as 1973	7
Same as July 1, 1969	36.0 %	Same as 1972	Same as 1972	26%	Same as 1975	8
Same as 1967	30.5 %	Same as 1972	Same as 1972	Same as 1972	32.5% (Effective July 1)	9

TABLE IV. Federal and Provincial Corporation Income Taxes, 1966 to 1976

1971	1972	1973	1974	1975	1976	No.
Same as 1968, until July 1. Effective July 1, repeal of 3%. Surtax and reduction of 7% of tax otherwise payable. Valued till December 1972.	General rate: 50%. Deductions: Charitable donations up to 20% of income. Gifts to the federal and 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.) Tax reductions and credits: 10% abatement of taxable income earned in a province. 7% reduction of tax payable. 25% for Canadian-controlled private corporation on first \$50,000 of active business income per year to the overall limit of \$500,000. Foreign tax credit. Logging tax credit. Special rules: In the case of a 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 shareholder. In the case of 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.	General rate: 49%. Deductions: Same as 1972. Tax reductions and credits: Same as 1972 except for the following: The reduction for Canadian-controlled private corporation is lowered to 24%. Introduction of a 9% reduction on manufacturing and processing profits. Special rules: Same as 1972.	General rate: 48%. Resource production profit: 50%. Deductions: Same as 1972. Tax reductions and credits: Same as 1973 except for the following: The reduction for Canadian-controlled private corporation is lowered to 23% on the first \$100,000 of active business income per year to the overall limit of \$500,000. The reduction on manufacturing and processing profits is lowered to 8%. Introduction of a 15% reduction for mineral production profits. Introduction of a 12% reduction for oil and gas production profits. Introduction of a political contributions tax credit. The 7% reduction of tax payable is repealed for 1974 and following years. Special rules: Same as 1972. Surtax: A surtax of 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).	General rate: 47%. Resource production profit: 50%. Deductions: Same as 1972. Tax reductions and credits: Same as 1974 except for the following: The reduction for Canadian-controlled private corporation is lowered to 22%. The reduction on manufacturing and processing profits is lowered to 7%. A 5% investment tax credit is applicable to new buildings, machinery and equipment acquired between June 24, 1975 to July 1, 1977. Special rules: Same as 1972. Surtax: The surtax of 10% on corporate profit is in effect till April 30, 1975.	General rate: 46%. Resource production profit: no longer applicable. Deductions: Same as 1972. Tax reductions and credits: Same as 1975 except for the following: The reduction for Canadian-controlled private corporation is lowered to 21% on first \$150,000 (overall limit \$750,000). The reduction on manufacturing and processing profits is lowered to 6%. The 15% reduction for mineral production is no longer applicable. The 12% reduction for oil and gas production profits is no longer applicable. Special rules: Same as 1972. Surtax: No longer applicable.	1

TABLE IV. Federal and Provincial Corporation Income Taxes, 1966 to 1976 - Concluded

No.	Government	1966	1967	1968	1969	1970
2	Newfoundland.	9% on same base as federal income tax	11%	12%	13%	Same as 1969
3	Prince Edward Island.	9% on same base as federal income tax	10%	Same as 1967	Same as 1967	Same as 1967
4	Nova Scotia.	9% on same base as federal income tax	10%	Same as 1967	Same as 1967	Same as 1967
5	New Brunswick.	9% on same base as federal income tax	10%	Same as 1967	Same as 1967	Same as 1967
6	Quebec.	12% on base very similar to federal income tax	Same as 1966	Same as 1966	Same as 1966	Same as 1966
7	Ontario.	11% on base very similar to federal income tax	Same as 1966	12%	Same as 1968	Same as 1968
8	Manitoba.	10% on same base as federal income tax	11%	Same as 1967	Same as 1967	13%
9	Saskatchewan.	10% on same base as federal income tax	11%	Same as 1967	Same as 1967	Same as 1967
10	Alberta.	9% on same base as federal income tax	10%	Same as 1967	11%	Same as 1969
11	British Columbia.	9% on same base as federal income tax	10%	Same as 1967	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.

TABLE V. Federal and Provincial General Sales Taxes, 1966 to 1976

No.		1966	1967	1968	1969	1970
	RATES					
	1. Federal sales tax (imposed on manufacturer's selling price of domestic products and duty paid value of imported goods):					
1	General rate.	11%	12% (Effective January 1)	Same as 1967	Same as 1967	Same as 1967
2	Special rates	Articles manufactured by handicapped: 5 1/2%.	Articles manufactured by handicapped: 6%. (Effective January 1)	{ Same as 1967	Same as 1967	Same as 1967
			Building materials and heating equipment: 11%.	{ Same as 1967	Same as 1967	Same as 1967
			Production machinery: 11% to March 31; 6% from April 1 to June 2; exempt effective June 2.			

TABLE IV. Federal and Provincial Corporation Income Taxes, 1966 to 1976 - Concluded

1971	1972	1973	1974	1975	1976	No.
Same as 1969	Same as 1969	Same as 1969	Same as 1969	Same as 1969	14%	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	12%	4
Same as 1967	Same as 1967	Same as 1967	Same as 1967	Same as 1967	Same as 1967	5
Same as 1966 ²	Same as 1966	Same as 1966	Same as 1966	Same as 1966	Same as 1966	6
Same as 1968 ³	Same as 1968	Same as 1968	Same as 1968 ⁴	Same as 1968	Same as 1968	7
Same as 1970	Same as 1970	Same as 1970	Same as 1970	Same as 1970	15%	8
Same as 1967	Same as 1967	12%	Same as 1973	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	12%	Same as 1973	13%	15%	11

² 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.

³ 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.

⁴ 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 1.

TABLE V. Federal and Provincial General Sales Taxes, 1966 to 1976

1971	1972	1973	1974	1975	1976	No.
Same as 1967	Same as 1967	Same as 1967	Same as 1967	Same as 1967	Same as 1967	1
Same as 1967	Articles manufactured by handicapped exempted. (Effective May 9)	Same as 1972	Same as 1972	Same as 1972	Same as 1972	2
Same as 1967	Same as 1967	Same as 1967	Construction materials and equipment for buildings: 5%. (Effective November 19)	Same as 1974	Same as 1974	

TABLE V. Federal and Provincial General Sales Taxes, 1966 to 1976 — Concluded

No.		1966	1967	1968	1969	1970	1971
2.	Provincial sales taxes (imposed on retail price):						
7	(1) Newfoundland	5%	6% (effective April 1)	7% (effective April 1)	Same as April 1, 1968	Same as April 1, 1968	Same as April 1, 1968
8	(2) Prince Edward Island	5%	Same as 1966	Same as 1966	7% (effective April 15)	Same as April 15, 1969	8% (effective March 19)
9	(3) Nova Scotia	5%	Same as 1966	Same as 1966	7% (effective April 4)	Same as April 4, 1969	Same as April 4, 1969
10	(4) New Brunswick	3%	6% (effective January 1)	Same as January 1, 1967	8% (effective April 1)	Same as April 1, 1969	Same as April 1, 1969
11	(5) Quebec	6%	8% (effective March 17)	Same as March 17, 1967	Same as March 17, 1967	Same as March 17, 1967	Same as March 17, 1967
12	(6) Ontario:						
	(a) General	5% (effective April 1)	Same as April 1, 1966	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	5% (effective April 1)	Same as April 1, 1966	Same as April 1, 1966	10% (effective April 1)	Same as April 1, 1969	Same as April 1, 1969
14	(7) Manitoba:						
	(a) General		5% (effective June 1)	Same as June 1, 1967	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	Same as June 1, 1967
16	(8) Saskatchewan	4%	Same as 1966	5% (effective March 2)	Same as March 2, 1968	Same as March 2, 1968	Same as March 2, 1968
17	(9) British Columbia	5%	Same as 1966	Same as 1966	Same as 1966	Same as 1966	Same as 1966
18	CHANGES IN EXEMPTIONS (Unless otherwise specified, the following are new exemptions.)	British Columbia: Candy; soft drinks; papers sold over the counter and by subscription; classroom supplies.	Federal sales tax: Drugs and medicines; some orthopaedic appliances; production machinery. Manitoba: Introduction of general sales tax.	Saskatchewan: Former exemption for all meals restricted to meals under \$2.	Ontario: Meals under \$2.51. Repeal of exemption for industrial machinery.	Saskatchewan: Electricity used for heating. Repeal of exemption for meals under \$2.	Prince Edward Island: Railway rolling stock; commercial vessels. New Brunswick: Building materials.
19	TAX ON SERVICES	Ontario: Telephone services and telecommunications.	Manitoba: Hotel and motel accommodations; telephone services over \$0.45; telecommunications; repairs, laundry and drycleaning; printing, photography, micro-filming, etc.	New Brunswick: Hotel and motel accommodations; telecommunications. Saskatchewan: Hotel and motel accommodations; telephone services; telecommunications.	Newfoundland: Hotel and motel accommodations; telephone services; telecommunications; repairs, laundry and drycleaning. New Brunswick: Laundry and drycleaning. Ontario: Hotel and motel accommodation.		British Columbia: Hotel and motel accommodations.

TABLE V. Federal and Provincial General Sales Taxes, 1966 to 1976 — Concluded

1972	1973	1974	1975	1976	No.
Same as April 1, 1968	Same as April 1, 1968	8% (effective April 10)	Same as April 10, 1974	10% (effective November 24)	7
Same as March 19, 1971	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	8% (effective March 20)	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	7% (effective May 1)	Same as May 1, 1973	5% (effective April 8)	7% (effective January 1)	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
10% (effective June 1)	Same as June 1, 1972	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 1966	Same as 1966	Same as 1966	Same as 1966	7% (effective March 27)	17
Newfoundland:	Federal sales tax:	Federal sales tax:	Federal sales tax:	Federal sales tax:	18
Children's clothing	Confectioneries, chocolate bars, soft drinks, fruit drinks and similar near food products; children's clothing, shoes and other footwear.	Clothing and footwear.	Insulation material.	Certain energy-saving equipment such as solar furnaces and wind-powered generating equipment.	
Quebec:		Newfoundland:	Prince Edward Island:	Newfoundland:	
Industrial production equipment.		Domestic fuel and heating oil.	Small sales exemption raised from \$0.16 to \$0.26.	Clothing small sales exemptions raised to \$0.20 from \$0.08.	
Ontario:	Nova Scotia:	Prince Edward Island:	Nova Scotia:	Prince Edward Island:	
Repeal of exemption for draught beer, which becomes taxable as in (b).	Larger sizes of children's clothing and footwear; all merchandise, except automotive equipment and parts, sold to Indians on reservations for their own use.	Goods and materials used in making clothing; soap and cleaning supplies, and articles traded in against purchases. Small sale exemption raised from \$0.11 to \$0.16. 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.	Anti-pollution equipment and devices purchased by manufacturers, producers and processors or other designated persons.	Insulating materials and certain alternate energy sources.	
Manitoba:	Quebec:	New Brunswick:	New Brunswick:	Quebec:	
Safety clothing. Increase of rate from 5% to 10% on spirits, wines and imported beer.	Exemption for meals under \$1.25 raised to \$1.50. Small sale exemption raised from \$0.10 to \$0.15.	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.	Laundry and drycleaning services.	Production equipment bought or rented for the production of moveable property for resale. Conditional materials if they are used directly in this production of moveable property for resale.	
Repeal of exemptions for production machinery and vessels over 200 tons gross.	Ontario:		Quebec:	Ontario:	
Saskatchewan:	Exemption for meals increased from \$2.50 to \$4. Seeds, bulbs, natural flowers, etc., household pets.		Exemption for meals under \$1.49 raised to \$2. Small purchases exemption increased from \$0.15 to \$0.25. Industrial machinery exemption extended to March 31, 1977.	Purchases of insulation materials used in existing houses. Prepared meals of less than \$5 exempted.	
Meals under \$2.51.	Saskatchewan:	Ontario:	Ontario:	Manitoba:	
	Repeal of the exemption on railway rolling stocks, ties and steel rails.	Personal hygiene items, e.g., toothpaste, baby powder, soap, detergents, etc., and footwear of \$30 or less.	Machinery and equipment for production and/or construction purposes exempt to December 31, 1977.	Repeal of the exemption on railway rolling stock.	
		Manitoba:	Saskatchewan:		
		Exemption for prepared meals raised to \$2.99 from \$1.99. Purchases (except motor cars) made by Status Indians.	Restaurant meals; books and other reading materials.		
		British Columbia:			
		Books and second-hand clothing.			
Nova Scotia:					19
Hotel and motel accommodations.					

TABLE VI. Provincial Taxes on Motive Fuels and Tobacco Products, 1966 to 1976

No.	Province	1966	1967	1968	1969	1970
Newfoundland:						
1	Motive fuel	\$0.19 per gallon	\$0.20 per gallon (effective April 1)	\$0.25 per gallon (effective April 1)	Same as April 1, 1968	Same as April 1, 1968
2	Cigarettes	1/4 of \$0.01 each	Same as 1966	1/2 of \$0.01 each	Same as April 1, 1968	Same as April 1, 1968
3	Cigars.	\$0.01 to \$0.05 each		\$0.02 to \$0.10 each		
4	Tobacco	\$0.01 per 1/2 oz. unit		\$0.02 per 1/2 oz. unit (effective April 1)		
Prince Edward Island:						
5	Gasoline	\$0.18 per gallon	Same as 1966	\$0.21 per gallon (effective March 20)	Same as March 20, 1968	Same as March 20, 1968
6	Diesel fuel	\$0.18 per gallon	Same as 1966	\$0.21 per gallon (effective March 20)	Same as March 20, 1968	Same as March 20, 1968
7	Cigarettes	1/5 of \$0.01 each	Same as 1966	2/5 of \$0.01 each	Same as March 20, 1968	Same as March 20, 1968
8	Cigars.	\$0.01 to \$0.03 each		\$0.01 per \$0.05		
9	Other tobacco.	10%		20% (effective March 20)		
Nova Scotia:						
10	Gasoline	\$0.19 per gallon	Same as 1966	Same as 1966	\$0.21 per gallon (effective April 4)	Same as April 4, 1969
11	Diesel fuel	\$0.27 per gallon	Same as 1966	Same as 1966	Same as 1966	Same as 1966
12	Aviation fuel	Nil	Nil	Nil	Nil	Nil
13	Cigarettes	1/10 of \$0.01 each	Same as 1966	Same as 1966	4/10 of \$0.01 each	Same as April 4, 1969
14	Other tobacco products	5%			10% (effective April 4)	
New Brunswick:						
15	Gasoline	\$0.18 per gallon	Same as 1966	\$0.19 per gallon (effective April 1)	\$0.20 per gallon (effective April 1)	Same as April 1, 1969
16	Diesel fuel	\$0.23 per gallon	Same as 1966	Same as 1966	Same as 1966	Same as 1966
17	Aviation fuel	Nil	Nil	Nil	Nil	Nil
18	Cigarettes	1/5 of \$0.01 each	Same as 1966	Same as 1966	2/5 of \$0.01 each	Same as April 1, 1969
19	Cigars.	\$0.01 to \$0.03 each			\$0.01 for each \$0.05	
20	Other tobacco products	10%			\$0.04 per oz. (effective April 1)	
Quebec:						
21	Gasoline	\$0.16 per gallon	Same as 1966 \$0.02	\$0.19 per gallon	Same as March 28, 1968	Same as March 28, 1968
22	Diesel fuel	\$0.22 per gallon		\$0.25 per gallon		
23	Aviation fuel	\$0.02		\$0.03 per gallon (effective March 28)		
24	Cigarettes	6/25 of \$0.01 each	Same as 1966	2/5 of \$0.01 each	Same as March 28, 1968	Same as March 28, 1968
25	Cigars.	12% (when over \$0.05)		20% (when over \$0.10)		
26	Manufactured tobacco	12%		20% (effective March 28)		
Ontario:						
27	Motive fuel	\$0.16 per gallon	Same as April 1, 1966 \$0.02	\$0.18 per gallon	Same as March 13, 1968	Same as March 13, 1968
28	Diesel fuel	\$0.22 per gallon (effective April 1)		\$0.24 per gallon		
29	Aviation fuel	\$0.02		\$0.03 per gallon (effective March 13)		
30	Cigarettes	1/20 of \$0.01 each to April 1; 1/10 of \$0.01 from April 1	Same as April 1, 1966	3/10 of \$0.01 each	2/5 of \$0.01 each	Same as March 5, 1969
31	Cigars.	1/5 of \$0.01 per \$0.05		1/2 of \$0.01 per \$0.05	1/2 of \$0.01 per \$0.05	
32	Tobacco	\$0.01 per oz. to April 1; \$0.01 - \$0.02 per oz. from April 1		\$0.025 per oz. (effective March 13)	\$0.025 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 3 B, "Other Consumption Taxes Levied by Provincial Governments" for a description of these exemptions.

TABLE VI. Taxes on Motive Fuels and Tobacco Products, 1966 to 1976

1971	1972	1973	1974	1975	1976	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	\$0.27 per gallon (effective March 26)	1
Same as April 1, 1968	$\left\{ \begin{array}{l} \$0.01 \text{ each} \\ \$0.04 \text{ to } \$0.20 \text{ each} \\ \$0.04 \text{ per } 1/2 \text{ oz. unit} \\ \text{(effective June 1)} \end{array} \right\}$	Same as June 1, 1972	Same as June 1, 1972	$\left\{ \begin{array}{l} \text{Same as June 1, 1972} \\ \$0.02 \text{ to } \$0.20 \text{ each} \\ \text{Same as June 1, 1972} \end{array} \right\}$	Same as June 1, 1972	2
					Same as 1975	3
					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	$\left\{ \begin{array}{l} \text{Same as March 20, 1968} \\ \text{(effective April 19, 1972)} \end{array} \right\}$	Same as April 19, 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	$\left\{ \begin{array}{l} 4/5 \text{ of } \$0.01 \text{ each} \\ \text{(effective May 13, 1975)} \\ \text{Same as March 20, 1968} \\ \$0.03 \text{ per } 1/2 \text{ oz. unit} \\ \text{(effective May 13, 1975)} \end{array} \right\}$	Same as May 13, 1975	7
					\$0.01 to \$0.07 each	8
					Same as 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 1966	Same as 1966	Same as 1966	Same as 1966	Same as 1966	Same as 1966	11
\$0.03 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	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	1/2 of \$0.01 each (effective March 20, 1976)	13
					Same as April 4, 1969	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 1966	Same as 1966	Same as 1966	Same as 1966	Same as 1966	Same as 1966	16
\$0.03 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	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	$\left\{ \begin{array}{l} 4/5 \text{ of } \$0.01 \text{ each} \\ 25\% \text{ (when over } \$0.10) \\ 25\% \\ \text{(effective May 12)} \end{array} \right\}$	24
						25
						26
Same as March 13, 1968	$\left\{ \begin{array}{l} \$0.19 \text{ per gallon} \\ \$0.25 \text{ per gallon} \\ \text{(effective March 29)} \\ \text{Same as March 13, 1968} \end{array} \right\}$	Same as March 29, 1972	Same as March 29, 1972	Same as March 29, 1972	Same as March 29, 1972	27
		Same as March 13, 1968	Same as March 13, 1968	Same as March 13, 1968	Same as March 13, 1968	28
						29
Same as March 5, 1969	$\left\{ \begin{array}{l} 0.46 \text{ of } \$0.01 \text{ each} \\ \$0.01 \text{ per } \$0.05 \\ \$0.025 \text{ per } 1/2 \text{ oz.} \\ \text{(effective March 29)} \end{array} \right\}$	Same as March 29, 1972	Same as March 29, 1972	Same as March 29, 1972	0.71 of \$0.01 each (effective April 7)	30
					Same as March 29, 1972	31
						32

TABLE VI. Provincial Taxes on Motive Fuels and Tobacco Products, 1966 to 1976 - Concluded

No.	Province	1966	1967	1968	1969	1970
Manitoba:						
1	Gasoline	\$0.17 per gallon	Same as 1966	Same as 1966	Same as 1966	Same as 1966
2	Motive fuel	\$0.20 per gallon				
3	Aviation fuel	\$0.02 per gallon				
4	Cigarettes	2/5 of \$0.01 each	Same as 1966	Same as 1966	Same as 1966	Same as 1966
5	Cigars.	\$0.01 to \$0.10 each				
6	Manufactured tobacco	\$0.02 per 1/2 oz.				
Saskatchewan:						
7	Gasoline	\$0.15 per gallon	Same as March 15, 1966	{ \$0.17 per gallon \$0.20 per gallon (effective March 1) \$0.02 per gallon (effective April 2) 8/25 of \$0.01 and 9/25 of \$0.01 each \$0.01 to \$0.10 each	Same as March 1, 1968 Same as April 2, 1968 Same as March 1, 1968	{ \$0.19 per gallon \$0.21 per gallon \$0.04 per gallon (effective March 3) Same as March 1, 1968
8	Diesel fuel	\$0.18 per gallon (effective March 15)				
9	Aviation fuel	Nil				
10	Cigarettes	1/5 of \$0.01 each	1/5 of \$0.01 each	}		
11	Cigars.	\$0.01 to \$0.05 each	\$0.01 to \$0.05 each			
12	Manufactured tobacco	\$0.01 per oz.	\$0.01 per 1/2 oz.			
Alberta:						
13	Gasoline	\$0.12 per gallon	Same as 1966	{ \$0.15 per gallon \$0.17 per gallon \$0.03 per gallon (effective June 1)	Same as June 1, 1968	Same as June 1, 1968
14	Diesel fuel	\$0.14 per gallon				
15	Aviation fuel	Nil				
16	Cigarettes	Nil	Nil	Nil	8/25 of \$0.01 each \$0.01 to \$0.09 each \$0.64 per lb. (effective June 30)	Same as June 30, 1967
17	Cigars.	Nil	Nil	Nil		
18	Tobacco	Nil	Nil	Nil		
British Columbia:						
19	Gasoline	\$0.13 per gallon	Same as 1966	Same as 1966	Same as 1966	Same as 1966
20	Motive fuel	\$0.15 per gallon				
21	Aviation fuel	\$0.01 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	\$0.09 per gallon	Same as 1966	\$0.11 per gallon (effective January 23)	Same as January 23, 1968	Same as January 23, 1968
26	Diesel fuel	\$0.09 per gallon				
27	Aviation fuel	Nil				
28	Cigarettes	Nil	Nil	Nil	Nil	Nil
29	Cigars.	Nil	Nil	Nil	Nil	Nil
30	Tobacco	Nil	Nil	Nil	Nil	Nil
Northwest Territories:						
31	Cigarettes	Nil	Nil	Nil	Nil	Nil
32	Cigars.	Nil	Nil	Nil	Nil	Nil
33	Gasoline	\$0.09 per gallon	\$0.10 per gallon	\$0.11 per gallon (effective April 1)	\$0.12 per gallon	Same as 1969
34	Diesel fuel	\$0.04 per gallon (effective April 1)	\$0.06 per gallon (effective April 1)	\$0.08 per gallon (effective April 1)	\$0.10 per gallon (effective April 1)	\$0.12 per gallon (effective April 1)
35	Aviation fuel	\$0.015 per gallon	Same as 1966	Same as 1966	Same as 1966	Same as 1966

TABLE VI. Taxes on Motive Fuels and Tobacco Products, 1966 to 1976 - Concluded

1971	1972	1973	1974	1975	1976	No.
Same as 1966	Same as 1966	Same as 1966	{ \$0.15 per gallon \$0.18 per gallon Same as 1966	{ \$0.18 per gallon \$0.21 per gallon \$0.03 per gallon (effective May 19)	{ Same as May 19, 1975 Same as May 19, 1975 \$0.05 per gallon (effective May 17) 4/5 of \$0.01 each \$0.02 to \$0.20 each \$0.04 per 1/2 oz. (effective May 17)	1 2 3 4 5 6
Same as 1966	{ 3/5 of \$0.01 each \$0.01 to \$0.15 each \$0.03 per 1/2 oz. (effective May 1)	{ Same as May 1, 1972	{ Same as May 1, 1972	{ Same as May 1, 1972	{ Same as May 1, 1972	7 8 9 10 11 12
Same as March 3, 1970	Same as March 3, 1970	Same as March 3, 1970	{ \$0.12 per gallon \$0.16 per gallon (effective May 15) Same as March 3, 1970	{ Same as May 15, 1974 Same as March 3, 1970	{ \$0.15 per gallon \$0.21 per gallon (effective March 25) Same as March 3, 1970	13 14 15 16 17 18
Same as March 1, 1968	Same as March 1, 1968	{ 9/25 of \$0.01 each (effective February 9) \$0.01 to \$0.09 each (effective February 9) Same as March 1, 1968	{ Same as February 9, 1973 Same as March 1, 1968	{ Same as February 9, 1973 Same as March 1, 1968	{ 3/5 of \$0.01 each \$0.01 to \$0.04 each \$0.02 per 1/2 oz. (effective March 24)	19 20 21 22 23 24
Same as June 1, 1968	Same as June 1, 1968	Same as June 1, 1968	{ \$0.10 per gallon \$0.12 per gallon Same as June 1, 1968	{ Same as 1974 Same as June 1, 1968	{ Same as 1974 Same as June 1, 1968	25 26 27 28 29 30
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	31 32 33 34 35
{ \$0.13 per gallon \$0.17 per gallon \$0.03 per gallon (effective February 5) 8/25 of \$0.01 each \$0.01 to \$0.09 each \$0.02 per 1/2 oz. (effective February 5)	{ Same as February 5, 1971 Same as February 5, 1971	{ Same as February 5, 1971 Same as February 5, 1971	{ Same as February 5, 1971 Same as February 5, 1971	{ \$0.17 per gallon \$0.19 per gallon \$0.05 per gallon (effective February 28) Same as February 5, 1971	{ Same as 1975 12/25 of \$0.01 each (effective March 27, 1976) Same as February 5, 1971	36 37 38 39 40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55 56 57 58 59 60 61 62 63 64 65 66 67 68 69 70 71 72 73 74 75 76 77 78 79 80 81 82 83 84 85 86 87 88 89 90 91 92 93 94 95 96 97 98 99 100 101 102 103 104 105 106 107 108 109 110 111 112 113 114 115 116 117 118 119 120 121 122 123 124 125 126 127 128 129 130 131 132 133 134 135 136 137 138 139 140 141 142 143 144 145 146 147 148 149 150 151 152 153 154 155 156 157 158 159 160 161 162 163 164 165 166 167 168 169 170 171 172 173 174 175 176 177 178 179 180 181 182 183 184 185 186 187 188 189 190 191 192 193 194 195 196 197 198 199 200 201 202 203 204 205 206 207 208 209 210 211 212 213 214 215 216 217 218 219 220 221 222 223 224 225 226 227 228 229 230 231 232 233 234 235 236 237 238 239 240 241 242 243 244 245 246 247 248 249 250 251 252 253 254 255 256 257 258 259 260 261 262 263 264 265 266 267 268 269 270 271 272 273 274 275 276 277 278 279 280 281 282 283 284 285 286 287 288 289 290 291 292 293 294 295 296 297 298 299 300 301 302 303 304 305 306 307 308 309 310 311 312 313 314 315 316 317 318 319 320 321 322 323 324 325 326 327 328 329 330 331 332 333 334 335 336 337 338 339 340 341 342 343 344 345 346 347 348 349 350 351 352 353 354 355 356 357 358 359 360 361 362 363 364 365 366 367 368 369 370 371 372 373 374 375 376 377 378 379 380 381 382 383 384 385 386 387 388 389 390 391 392 393 394 395 396 397 398 399 400 401 402 403 404 405 406 407 408 409 410 411 412 413 414 415 416 417 418 419 420 421 422 423 424 425 426 427 428 429 430 431 432 433 434 435 436 437 438 439 440 441 442 443 444 445 446 447 448 449 450 451 452 453 454 455 456 457 458 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709 710 711 712 713 714 715 716 717 718 719 720 721 722 723 724 725 726 727 728 729 730 731 732 733 734 735 736 737 738 739 740 741 742 743 744 745 746 747 748 749 750 751 752 753 754 755 756 757 758 759 760 761 762 763 764 765 766 767 768 769 770 771 772 773 774 775 776 777 778 779 780 781 782 783 784 785 786 787 788 789 790 791 792 793 794 795 796 797 798 799 800 801 802 803 804 805 806 807 808 809 810 811 812 813 814 815 816 817 818 819 820 821 822 823 824 825 826 827 828 829 830 831 832 833 834 835 836 837 838 839 840 841 842 843 844 845 846 847 848 849 850 851 852 853 854 855 856 857 858 859 860 861 862 863 864 865 866 867 868 869 870 871 872 873 874 875 876 877 878 879 880 881 882 883 884 885 886 887 888 889 890 891 892 893 894 895 896 897 898 899 900 901 902 903 904 905 906 907 908 909 910 911 912 913 914 915 916 917 918 919 920 921 922 923 924 925 926 927 928 929 930 931 932 933 934 935 936 937 938 939 940 941 942 943 944 945 946 947 948 949 950 951 952 953 954 955 956 957 958 959 960 961 962 963 964 965 966 967 968 969 970 971 972 973 974 975 976 977 978 979 980 981 982 983 984 985 986 987 988 989 990 991 992 993 994 995 996 997 998 999 1000 1001 1002 1003 1004 1005 1006 1007 1008 1009 1010 1011 1012 1013 1014 1015 1016 1017 1018 1019 1020 1021 1022 1023 1024 1025 1026 1027 1028 1029 1030 1031 1032 1033 1034 1035 1036 1037 1038 1039 1040 1041 1042 1043 1044 1045 1046 1047 1048 1049 1050 1051 1052 1053 1054 1055 1056 1057 1058 1059 1060 1061 1062 1063 1064 1065 1066 1067 1068 1069 1070 1071 1072 1073 1074 1075 1076 1077 1078 1079 1080 1081 1082 1083 1084 1085 1086 1087 1088 1089 1090 1091 1092 1093 1094 1095 1096 1097 1098 1099 1100 1101 1102 1103 1104 1105 1106 1107 1108 1109 1110 1111 1112 1113 1114 1115 1116 1117 1118 1119 1120 1121 1122 1123 1124 1125 1126 1127 1128 1129 1130 1131 1132 1133 1134 1135 1136 1137 1138 1139 1140 1141 1142 1143 1144 1145 1146 1147 1148 1149 1150 1151 1152 1153 1154 1155 1156 1157 1158 1159 1160 1161 1162 1163 1164 1165 1166 1167 1168 1169 1170 1171 1172 1173 1174 1175 1176 1177 1178 1179 1180 1181 1182 1183 1184 1185 1186 1187 1188 1189 1190 1191 1192 1193 1194 1195 1196 1197 1198 1199 1200 1201 1202 1203 1204 1205 1206 1207 1208 1209 1210 1211 1212 1213 1214 1215 1216 1217 1218 1219 1220 1221 1222 1223 1224 1225 1226 1227 1228 1229 1230 1231 1232 1233 1234 1235 1236 1237 1238 1239 1240 1241 1242 1243 1244 1245 1246 1247 1248 1249 1250 1251 1252 1253 1254 1255 1256 1257 1258 1259 1260 1261 1262 1263 1264 1265 1266 1267 1268 1269 1270 1271 1272 1273 1274 1275 1276 1277 1278 1279 1280 1281 1282 1283 1284 1285 1286 1287 1288 1289 1290 1291 1292 1293 1294 1295 1296 1297 1298 1299 1300 1301 1302 1303 1304 1305 1306 1307 1308 1309 1310 1311 1312 1313 1314 1315 1316 1317 1318 1319 1320 1321 1322 1323 1324 1325 1326 1327 1328 1329 1330 1331 1332 1333 1334 1335 1336 1337 1338 1339 1340 1341 1342 1343 1344 1345 1346 1347 1348 1349 1350 1351 1352 1353 1354 1355 1356 1357 1358 1359 1360 1361 1362 1363 1364 1365 1366 1367 1368 1369 1370 1371 1372 1373 1374 1375 1376 1377 1378 1379 1380 1381 1382 1383 1384 1385 1386 1387 1388 1389 1390 1391 1392 1393 1394 1395 1396 1397 1398 1399 1400 1401 1402 1403 1404 1405 1406 1407 1408 1409 1410 1411 1412 1413 1414 1415 1416 1417 1418 1419 1420 1421 1422 1423 1424 1425 1426 1427 1428 1429 1430 1431 1432 1433 1434 1435 1436 1437 1438 1439 1440 1441 1442 1443 1444 1445 1446 1447 1448 1449 1450 1451 1452 1453 1454 1455 1456 1457 1458 1459 1460 1461 1462 1463 1464 1465 1466 1467 1468 1469 1470 1471 1472 1473 1474 1475 1476 1477 1478 1479 1480 1481 1482 1483 1484 1485 1486 1487 1488 1489 1490 1491 1492 1493 1494 1495 1496 1497 1498 1499 1500 1501 1502 1503 1504 1505 1506 1507 1508 1509 1510 1511 1512 1513 1514 1515 1516 1517 1518 1519 1520 1521 1522 1523 1524 1525 1526 1527 1528 1529 1530 1531 1532 1533 1534 1535 1536 1537 1538 1539 1540 1541 1542 1543 1544 1545 1546 1547 1548 1549 1550 1551 1552 1553 1554 1555 1556 1557 1558 1559 1560 1561 1562 1563 1564 1565 1566 1567 1568 1569 1570 1571 1572 1573 1574 1575 1576 1577 1578 1579 1580 1581 1582 1583 1584 1585 1586 1587 1588 1589 1590 1591 1592 1593 1594 1595 1596 1597 1598 1599 1600 1601 1602 1603 1604 1605 1606 1607 1608 1609 1610 1611 1612 1613 1614 1615 1616 1617 1618 1619 1620 1621 1622 1623 1624 1625 1626 1627 1628 1629 1630 1631 1632 1633 1634 1635 1636 1637 1638 1639 1640 1641 1642 1643 1644 1645 1646 1647 1648 1649 1650 1651 1652 1653 1654 1655 1656 1657 1658 1659 1660 1661 1662 1663 1664 1665 1666 1667 1668 1669 1670 1671 1672 1673 1674 1675 1676 1677 1678 1679 1680 1681 1682 1683 1684 1685 1686 1687 1688 1689 1690 1691 1692 1693 1694 1695 1696 1697 1698 1699 1700 1701 1702 1703 1704 1705 1706 1707 1708 1709 1710 1711 1712 1713 1714 1715 1716 1717 1718 1719 1720 1721 1722 1723 1724 1725 1726 1727 1728 1729 1730 1731 1732 1733 1734 1735 1736 1737 1738 1739 1740 1741 1742 1743 1744 1745 1746 1747 1748 1749 1750 1751 1752 1753 1754 1755 1756 1757 1758 1759 1760 1761 1762 1763 1764 1765 1766 1767 1768 1769 1770 1771 1772 1773 1774 1775 1776 1777 1778 1779 1780 1781 1782 1783 1784 1785 1786 1787 1788 1789 1790 1791 1792 1793 1794 1795 1796 1797 1798 1799 1800 1801 1802 1803 1804 1805 1806 1807 1808 1809 1810 1811 1812 1813 1814 1815 1816 1817 1818 1819 1820 1821 1822 1823 1824 1825 1826 1827 1828 1829 1830 1831 1832 1833 1834 1835 1836 1837 1838 1839 1840 1841 1842 1843 1844 1845 1846 1847 1848 1849 1850 1851 1852 1853 1854 1855 1856 1857 1858 1859 1860 1861 1862 1863 1864 1865 1866 1867 1868 1869 1870 1871 1872 1873 1874 1875 1876 1877 1878 1879 1880 1881 1882 1883 1884 1885 1886 1887 1888 1889 1890 1891 1892 1893 1894 1895 1896 1897 1898 1899 1900 1901 1902 1903 1904 1905 1906 1907 1908 1909 1910 1911 1912 1913 1914 1915 1916 1917 1918 1919 1920 1921 1922 1923 1924 1925 1926 1927 1928 1929 1930 1931 1932 1933 1934 1935 1936 1937 1938 1939 1940 1941 1942 1943 1944 1945 1946 1947 1948 1949 1950 1951 1952 1953 1954 1955 1956 1957 1958 1959 1960 1961 1962 1963 1964 1965 1966 1967 1968 1969 1970 1971 1972 1973 1974 1975 1976 1977 1978 1979 1980 1981 1982

TABLE VII. Federal Taxes on Alcoholic Beverages and Tobacco Products, 1966 to 1976

	1966	1967	1968 to 1973 inclusive	1974	1975	1976
1. Beer	Excise duty of \$0.38 per gallon.	Increased to \$0.42 effective December 1	Same as December 1, 1967	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	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	Same as November 18, 1974
4. Spirits sold to druggists and used in the preparation of prescription	Excise duty of \$1.50 per proof gallon.	Same as 1966	Same as 1966	Same as 1966	Same as 1966	Same as 1966
5. Imported spirits taken into bonded manufactory	Excise duty of \$0.30 per proof gallon (in addition to other duties).	Same as 1966	Same as 1966	Same as 1966	Same as 1966	Same as 1966
6. Wines:						
(a) Containing 7% or less of absolute alcohol by volume.	Excise tax of \$0.25 per gallon.	Increased to \$0.275 effective December 1	Same as December 1, 1967	Increased to \$0.475 effective November 18	Decreased to \$0.275 effective June 23	Same as June 23, 1975
(b) Non-sparkling and containing more than 7% of absolute alcohol by volume but not over 40% of proof spirit	Excise tax of \$0.50 per gallon.	Increased to \$0.55 effective December 1	Same as December 1, 1967	Increased to \$0.95 effective November 18	Decreased to \$0.55 effective June 23	Same as June 23, 1975
(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	Decreased to \$2.55 effective June 23	Same as June 23, 1975
7. Cigarettes	Excise tax of \$0.025 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 \$0.03 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	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	Same as November 18, 1974
9. Manufactured tobacco	Excise tax of \$0.80 per lb. plus excise duty of \$0.35 per lb.	Increase of excise tax to \$0.90 per lb. effective December 1	Same as December 1, 1967	Increase of excise duty to \$0.50 per lb. effective November 18	Same as November 18, 1974	Same as November 18, 1974
10. Canadian raw leaf tobacco	Excise duty of \$0.10 per lb.	Same as 1966	Same as 1966	Same as 1966	Same as 1966	Same as 1966

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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