

a surcharge of 5 p.c. was made on net incomes of over \$5,000 and the exemptions were reduced from \$3,000 to \$2,400 for married persons, and from \$1,500 to \$1,200 for single persons. These changes applied to 1931 incomes. The sales tax was increased by 2 p.c. to 6 p.c., and the special excise tax on goods imported into Canada was raised from 1 p.c. to 3 p.c. The stamp tax on cheques, promissory notes, money orders, etc., was increased from 2 cents for each instrument over \$5, to 3 cents on amounts between \$5 and \$100, and 6 cents over \$100. Sleeping-car tickets were taxed 10 p.c. (minimum 25 cents) and parlour-car tickets 10 cents flat; there were also changes in the tax rates of cable and telegraphic messages and in the stock and bond transfer tax. No important tariff changes were made in view of arrangements for the then pending Imperial Economic Conference. (The tariff changes resulting from the Imperial Economic Conference and enacted at the fourth session of the 17th Parliament, which opened on Oct. 6, 1932, were briefly dealt with on pp. 485-486 of the 1933 Year Book.)

In 1933, the tax on corporation incomes was raised to 12½ p.c. and the \$2,000 exemption was removed. Where a consolidated statement of a company and its subsidiaries was compiled, the tax rate was set at 13½ p.c. On personal incomes the exemption was reduced from \$2,400 to \$2,000 for married or from \$1,200 to \$1,000 for single persons, and the exemption for dependent children was lowered from \$500 to \$400. The rate of taxation was increased according to a new schedule, the tax on the first \$1,000 of taxable income being 3 p.c. In certain cases, new taxes of 5 p.c. were imposed at the source on interest or dividends paid by Canadian debtors to non-residents (Dominion Government bonds were exempt from this tax), or to residents where such interest or dividend is paid in funds which are at a premium in relation to Canadian exchange. The sales tax remained at 6 p.c., though with a view to additional revenue an adjustment of the exempt and the partly exempt lists was made. Special excise taxes were levied as follows: 10 p.c. on cosmetics and toilet preparations; 5 p.c. on automobile tires and tubes; 2 cents per lb. on refined sugar; 25 cents per gallon on unfermented wort; and 50 cents per lb. on malt syrup and malt products. The provision of the Special War Revenue Act exempting from the stamp tax cheques, receipts to banks, money orders, travellers cheques, etc., not exceeding \$5 in value was repealed (except as regards creamery tickets or cheques). The stamp tax on postal notes was raised from 1 to 3 cents. Cigarette papers and tubes were taxed 2 cents per hundred leaves and 5 cents for 50 tubes, respectively. The excise duty on distilled spirits used in the manufacture of proprietary medicines, extracts, perfumes, etc., was made \$2.50 per proof gallon and an excise duty of \$1 per proof gallon was imposed on spirits distilled from juices of native fruits used by wine manufacturers in fortifying native wines.

In 1934, the tax changes proposed were of limited character. The chief changes were the reduction of the excise tax on sugar by 1 cent per lb. and the proposed imposition of a tax of 10 p.c. on gold, to be deducted from the proceeds of all gold