

ment income". Under s. 8, the manner in which the total income of a taxpayer other than a corporation or joint-stock company shall be compiled is defined in order to determine the additional rate payable on investment income. Certain copyrights and copyrighted works used and produced or reproduced in Canada are subject, under s. 9, to the additional 5 p.c. tax applicable to non-residents of Canada. Provision is made to guard against evasion of the tax through the exemption from the special tax of 5 p.c. allowed in the case of dividends paid to a non-resident company by a Canadian company. Payments on income bonds or income debentures are considered to be a dividend. Under s. 14, a tax ranging from 2 p.c. to 10 p.c. on gifts and donations is imposed and the conditions of its application and the varying rates defined as well as the exemptions allowed. The gift tax is effective from Jan. 1, 1935, and the provisions with respect to most other sections are applicable to the 1934 taxation period.

National Revenue.—C. 28 is an Act to amend the Customs Tariff (c. 44, R.S.C., 1927) as regards the extension or withdrawal of most-favoured-nation treatment to any British country. Under s. 2, the Netherlands, Indies, Surinam and Curaçao are regarded as part of the Netherlands. It is also provided that a reduction of duty on spirituous or alcoholic liquors shall be passed on to the consumer or the full duties may be restored. Schedules A, B and C of the Customs Tariff are amended as regards specific items enumerated in the Act.

The Excise Act (c. 52 of the Statutes of 1934) is amended by c. 29 to reduce the duty on spirits distilled in Canada from \$7 per proof gallon to \$4. It is also provided that, as in the case of c. 28 above, duties reduced may be fully restored if the benefit is not passed on to the consumer in full.

Under c. 33, the Special War Revenue Act (c. 179, R.S.C. 1927) is amended in several respects. The excise tax on duty-paid value on articles enumerated in Schedule V is modified; refunds of taxes paid under certain Parts of the Act are granted where goods are sold to Provincial Governments and are not for resale or for use by any business organization or university operated by the province concerned; and also, in certain cases, as regards the collection of taxes direct from third parties by the Minister instead of through a licensee. Schedules I, III, IV and V to the Act are amended as regards specific items, and a section is added after s. 120 to the effect that rights and obligations under Part XV of the Act shall not be affected by expiration of that Part.

Agriculture.—The Farm Loan Act (c. 66, R.S.C. 1927), as amended by c. 46 of the Statutes of 1934 (see p. 1182 of the 1934–35 Year Book), is further amended by c. 16 as regards the constitution of the Canadian Farm Loan Board, how the capital requirements shall be provided, provisions respecting loans and their repayment, priority of liens made or given to the Board. The aggregate loans made to one borrower under the Act and the 1934 amendment is reduced from \$7,500 to \$6,000 and is not to exceed 60 p.c. (instead of two-thirds) of the appraised value of the land and buildings in any province where chattel security may not be taken. Provision is made to incorporate Part II of the 1934 Amendment Act into the original statute as Part II thereof.

C. 20 amends the Farmers' Creditors Arrangement Act of 1934. The jurisdiction in bankruptcy is restricted as to release of debtors under the Act. Provision is also made under s. 7 for insolvent debtors resident in the province of Quebec, whose provable liabilities exceed \$500, to make assignments under the Bankruptcy Act in any case where the Board declines to formulate a proposal and certifies that