

## I.—STATEMENT OF SALES TAX CHANGES, 1920-38—concluded.

From—	To—	Domestic Sales.	Importations.
Mar. 22, 1933.....	Mar. 22, 1935.....	6 p.c. on sales by manufacturers. 3 p.c. on articles manufactured in Canada by labour of blind persons.	6 p.c. on importations.
Mar. 23, 1935.....	May 1, 1936.....	6 p.c. on sales by manufacturers. 3 p.c. on articles manufactured in Canada by labour of blind or deaf and dumb persons.	6 p.c. on importations.
May 2, 1936.....	To date.....	8 p.c. on sales by manufacturers. 4 p.c. on articles manufactured in Canada by labour of blind or deaf and dumb persons.	8 p.c. on importations.

## II.—STATEMENT OF SPECIAL EXCISE TAX CHANGES, 1931-38.

From—	To—	Details.
June 2, 1931.....	Apr. 6, 1932.....	1 p.c. on importations. (Restricted free list.)
Apr. 7, 1932.....	Apr. 18, 1934.....	3 p.c. on importations. (Restricted free list.)
Apr. 19, 1934.....	Mar. 22, 1935.....	3 p.c. on importations. (Restricted free list.) 1½ p.c. on importations entitled to entry under the British preferential tariff or under trade agreements between Canada and other British countries.
Mar. 23, 1935.....	To date.....	3 p.c. on importations. (Restricted free list.) Special excise tax does not apply on importations entitled to entry under the British Preferential Tariff or under trade agreements between Canada and other British countries.

A more detailed sketch of the changes made in taxation from 1914 to 1926 will be found at pp. 755-759 of the 1926 Year Book, while similar information *re* tax changes in 1927 to 1929 was given at pp. 791-792 of the 1930 Year Book and for the years 1930 to 1935 at pp. 824-826 of the 1936 Year Book.

**Recent Modifications in the System of Taxation.**—In 1936 important changes were made in various taxation rates. The ordinary rate of income tax on corporations was increased from 13½ p.c. to 15 p.c., and where returns are consolidated, the rate was increased from 15 p.c. to 17 p.c. No changes were made in the existing rates on individual incomes. In order to stimulate an expansion of mining activity, an exemption from corporate income tax was granted to any metalliferous mine coming into production between May 1, 1936, and Jan. 1, 1940, such exemption to apply to its income for the first three years following the commencement of production. A new category embracing non-resident-owned investment corporations was established with provision for a rate of half the normal rate of tax on corporations.