

of a single cheque combining the two taxes without sufficient advice as to how the remittance is to be allocated between income tax and excess profits tax. The result of this practice has been that too much revenue has been credited to income tax and too little to excess profits tax. For those who wish to study the productivity of the two separate taxes the collection figures as remitted by the taxpayer are somewhat misleading.

Because of the variable rates implicit in the excess profits tax, no precise correction can be made but an approximate adjustment based on a large sample of cases is included in Table 3. It should be emphasized that the adjusted figures involve no change in the total taxes collected from corporations but simply reduces the amount credited to income tax and correspondingly increases the amount credited to excess profits tax.

### 3.—Adjusted Corporation Tax Collections, Taxation Years 1940-45

Taxation Year	Corporation Income Tax	Corporation Excess Profits Tax	Total
	\$	\$	\$
1940.....	126,604,795	127,308,154	253,912,949
1941.....	183,009,878	293,832,527	476,842,405
1942.....	225,569,544	441,113,766	666,683,320
1943 <sup>1</sup> .....	217,915,402	508,469,271	726,384,673
1944 <sup>1</sup> .....	144,322,814	355,194,482	499,517,296
1945 <sup>1</sup> (three months).....	12,522,967	30,611,698	43,134,665

<sup>1</sup> The accounts for these taxation years are not yet closed and the figures are therefore not yet complete; there will be a small change in the 1943 account and substantial additions to the 1944 and 1945 accounts.

### Subsection 2.—Assessment Statistics on a Fiscal-Year Basis

In the past the Department has issued assessment statistics on a Government fiscal-year basis. Such figures covered returns actually assessed during a Government fiscal year but the returns related to incomes earned several years earlier. The returns assessed in the 1942-43 fiscal year are distributed as follows by taxation years.

Item	Tax- payers Assessed	Total Income Assessed	Total Tax Assessed
	No.	\$	\$
Individual assessments relating to the 1940 taxation year or earlier.....	316,468	788,769,066	67,959,268
Individual assessments relating to the 1941 taxation year.....	325,126	636,812,924	47,935,098
Individual assessments relating to the 1942 taxation year.....	532	1,144,309	194,421
<b>Totals, Individual Assessments Made in the 1942-43 Fiscal Year.....</b>	<b>642,126</b>	<b>1,426,726,299</b>	<b>116,088,787</b>
Corporation assessments relating to the 1940 taxation year or earlier.....	6,573	378,706,862	59,629,407
Corporation assessments relating to the 1941 taxation year.....	3,273	63,352,394	11,187,810
Corporation assessments relating to the 1942 taxation year.....	109	960,068	181,277
Corporation assessments relating to the 1943 taxation year.....	1	Nil	100
<b>Totals, Corporation Assessments Made in the 1942-43 Fiscal Year.....</b>	<b>9,956</b>	<b>443,019,324</b>	<b>70,998,594</b>

It is to be noted that, although these figures are designated as the 1942-43 fiscal-year assessment statistics, they cover mainly incomes earned in the 1940 and 1941 taxation years. In future it is planned to supersede this method of presentation with one which combines all statistics for a given taxation year into a single table regardless of when the assessment is made.