

devices. The tax on rents and royalties (Sect. 27) is imposed at the rate of 15 p.c. on non-residents in respect of the gross amount of all rents, royalties, etc., for the use in Canada of real or personal property, patents or for anything used or sold in Canada. The gift tax (Sect. 88) is imposed at the rate of 10 p.c. on gifts up to \$5,000 and at rates varying from 11 p.c. to 28 p.c. on gifts from \$5,000 to \$1,000,000 or over.

The national defence tax was imposed in 1940 at the rate of 2 p.c. on the incomes of single persons earning over \$600 and at the rate of 3 p.c. on those earning over \$1,200. In the case of married persons the tax was 2 p.c. on incomes over \$1,200. In 1941 the rates were raised to 5 p.c. and 7 p.c., the exemption limit for single persons being raised to \$660. This tax was consolidated with the individual income tax in the 1942 Budget.

18.—Collections Under the Income War Tax Act, Years Ended Mar. 31, 1919-46

(Tax and Applicable Section of the Act)

Year	General Income Tax		Tax on Dividends and Interest Sect. 9B	Tax on Rents and Royalties Sect. 27	Gift Tax Sect. 88	Total ¹
	Individuals Sect. 9-1	Corporations Sect. 9-2				
	\$	\$	\$	\$	\$	\$
1919.....	7,972,890	1,376,830				9,349,720
1920.....	13,195,314	7,068,426				20,263,740
1921.....	32,532,526	13,849,298				46,381,824
1922.....	39,820,597	38,863,758				78,684,355
1923.....	31,689,393	28,022,145				59,711,538
1924.....	25,657,335	28,546,693				54,204,028
1925.....	25,156,768	31,091,275				56,248,043
1926.....	23,849,475	31,722,487				55,571,962
1927.....	18,043,261	29,343,048				47,386,309
1928.....	23,222,891	33,348,156				56,571,047
1929.....	24,793,449	34,628,874				59,422,323
1930.....	27,237,502	41,783,224				69,020,726
1931.....	26,624,181	44,423,841				71,048,022
1932.....	24,772,846	36,481,554				61,254,400
1933.....	25,959,466	36,107,231				62,066,697
1934.....	29,183,715	27,385,822	4,829,635			61,399,172
1935.....	25,201,392	35,790,239	5,816,435			66,808,066
1936.....	32,788,746	42,518,971	7,207,601		194,485	82,709,803
1937.....	35,358,302	58,012,843	8,910,014		84,083	102,365,242
1938.....	40,070,942	69,768,605	10,152,088		373,897	120,365,532
1939.....	46,591,449	85,185,887	9,903,046		345,756	142,026,138
1940.....	45,008,858	77,920,002	11,121,632		398,074	134,448,566
1941.....	75,636,321	131,565,710	12,282,259	759,957	226,847	248,143,022 ²
1942.....	189,237,538	185,835,699	26,642,106	1,626,669	264,258	510,243,017 ³
1943.....	533,915,059	347,969,723	26,710,946	1,369,851	223,093	910,188,672
1944.....	809,570,762	311,378,714	25,670,804	1,272,389	1,546,633	1,151,757,035 ⁴
1945.....	763,896,322	276,403,849	27,052,692	1,546,445	532,599	1,072,758,068 ⁵
1946.....	689,506,763	217,833,540	26,823,894	1,485,725	770,369	937,729,273 ⁶

¹ These figures include the estimated refundable portion and therefore do not agree with the totals given in Table 17. ² Includes national defence tax amounting to \$27,672,018. ³ Includes national defence tax amounting to \$106,636,747. ⁴ Includes 1942 deferred tax amounting to \$2,317,733.

⁵ Includes 1942 deferred tax amounting to \$3,326,161. ⁶ Includes 1942 deferred tax amounting to \$1,308,982.

Subsection 4.—Subsidies and Loans to Provinces

Subsidies.—By the provisions of the British North America Act and subsequent arrangements entered into from time to time, the Dominion makes certain annual payments to the provinces: these are summarized as follows.